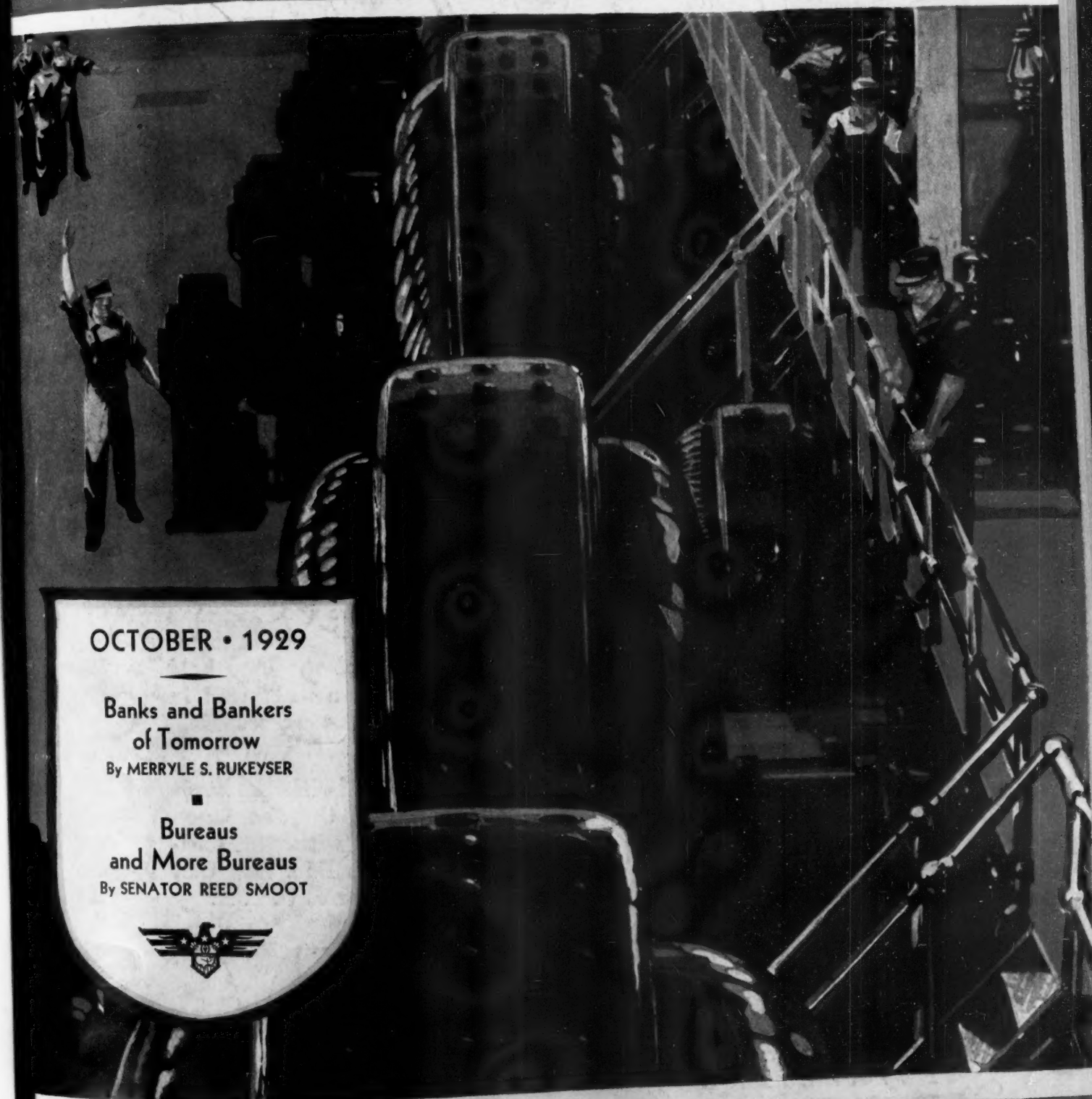


NATION'S BUSINESS



OCTOBER • 1929

**Banks and Bankers
of Tomorrow**

By MERRYLE S. RUKEYSER

■
**Bureaus
and More Bureaus**
By SENATOR REED SMOOT



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THIS MONTH AND NEXT

EVERY magazine editor knows that, no matter how well he thinks he is covering his field, he may overlook better articles than he prints because they exist in places he does not look. This month NATION'S BUSINESS enjoys the thrill of printing one of these articles that might have gone undiscovered.

John T. Jenkins runs a grocery store on Q street near Thirtieth northwest in Washington. He had no pretensions to authorship but he did have a grievance which he discussed with James True, a special writer whose work frequently appears in this magazine. Mr. True encouraged him to set his ideas on paper and assisted in preparation of the manuscript. The result is "If I Gave Way to Overselling—"



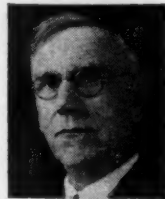
W. S. Paley

a frank article that minces no words in describing practices by which, Mr. Jenkins says, manufacturers and wholesalers are, in effect, attempting to kill his business.



P. W. Litchfield If you were to see Merryle Stanley Rukeyser on the street, you would probably pick him as the kind of poet who writes big, virile verses in the Whitman manner. He is not a poet, however, except as poets are observers and men of vision. He writes about banking and, in this number, has contributed "Banks and Bankers of Tomorrow" in which he predicts some interesting changes in the purposes and practices of financial institutions as they keep step with business growth and combinations.

Incidentally, although a leader in his field, Mr. Rukeyser is probably the second youngest contributor to this number of the magazine. The youngest is William S. Paley who, at 27, heads the Columbia Broadcasting Chain. His article, one of the series on



Sen. Smoot

NATION'S BUSINESS for OCTOBER



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Out-of-Town Office—Woolworth Building

New York

radio, is called "Radio and the Movies Join Hands." It answers the question, "What will the radio do to the theater?"

As Mr. Paley sees a linking of theater and radio, Paul W. Litchfield, president of the Goodyear-Zeppelin Company, looks forward to a union of dirigibles and airplanes in transportation. Mr. Litchfield has very definite ideas as to



H. D. Sharpe

the dirigible's advantages for business, which he explains in his article, "What's Ahead for the Dirigible?"

We have heard a great deal lately about how expansion increases efficiency in the business world. It seems, however, that this same expansion by government may have just the opposite effect. Senator Reed Smoot, of Utah, offers some thoughtful ideas on this subject in his article, "Bureaus and More Bureaus."

It is something of a shock, in the midst of talk about advances of modern business, to learn that merchants of past ages were just as astute as we are. F. S. Chalmers, managing editor of the *Financial Post*, Toronto, calls attention to this in his article, "A Chain Store 259 Years Old." He writes of the Hudson's Bay Company which is still doing business under a charter granted in the Seventeenth Century.



F. S. Chalmers

The problems that Company faced in its youth, however, at least did not include the one discussed by Henry D. Sharpe, president of the Brown & Sharpe Manufacturing Company, and long interested in social welfare. He brings up the question, "Shall the na-



M. L. Requa

tion-wide organization contribute to welfare funds in every community where it has branches or shall it risk local animosity by refusing?" National concerns are seeking the solution of this problem.

Next month's contributors will include Mark L. Requa, prominent in the oil industry, who has prepared an article telling the inefficiencies of that business; Ralph Budd, president, the Great Northern Railroad; Louis G. Caldwell, former general counsel, Federal Radio Commission; B. G. Dahlberg, president, the Celotex Company, and A. R. Erskine, president, the Studebaker Corporation.

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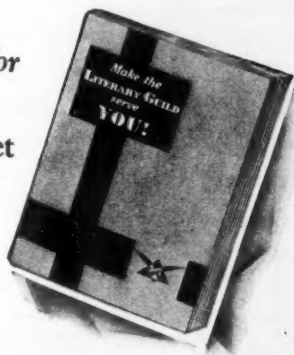
Mahlon Blaine; **MAGIC ISLAND** by Alexander King.

The long awaited novel, **THEY STOOPED TO FOLLY**, by Ellen Glasgow, was the Guild book for August. Claude Bower's **THE TRAGIC ERA** was the September selection, and **QUEEN ELIZABETH** by Katherine Anthony is the Guild book for October. These are books you *want*; books you will read whether you are a member of the Guild or not. Join the Guild at once and realize a considerable saving on twelve chosen books a year. Get full information *now* and consider the Guild plan at your leisure.

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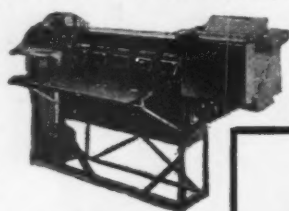
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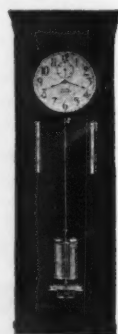
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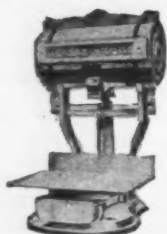
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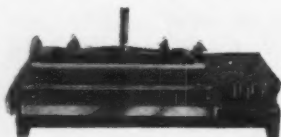
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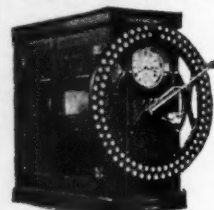
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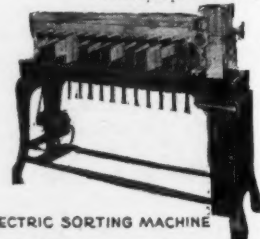
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Wooden Legs for Chigger Bites

A READER inquires: "Have you noted the investigation conducted by that successful English business man, Sir Ernest Benn? The *London Times* and its readers helped him. He found that 95 per cent of current writing on business economics, both in England and America, deals with schemes of radical reorganization of our present industrial system, while few authors set out to describe, to understand, and to interpret it.

"Furthermore, political and social doctors, in the fair name of economics, prescribe extravagant remedies for every ill the flesh is heir to.

"Result? New schemes to supplant the present capitalistic system, based on individualism, are pounded into our brains. The news columns give emphatic attention to the novel plans of Tom, the politician; Dick, the socialist; and Harry, the welfare worker. Their ideas are new, and the new is news. The more revolutionary, the greater the news value."

Many significant points came out. The investigation showed that in only a few of several hundred books on economics was found anything on the subject of "losses." Almost every author dealt with profits. Thousands there are who can tell us what should be done with profits. That's simple! Divide them up among the workmen, or among the customers, or give 'em to the state. Any socialist knows the answer to profits.

But the present system has its losses. Any system must have its losses. Deficits in government operation of a business are losses. They may be disguised by bookkeeping or passed on to taxpayers. But losses there are. Some one must look them squarely in the face and find ways of meeting them. It will not do to say, "Oh, let the losses take care of themselves." Some one must pay for them. And the pay will come out of somebody's savings. "Savings" is another word for "profits."

Socialist and economic critics of business cry out, "Production for use only and not for profit." They, again, are afraid to face facts.

Our correspondent continued, "My favorite business literature interprets our economic life as it is. It does not hesitate to point out faults; it tries to get at their cause. Most important, it exhorts business itself to correct them. It doesn't fall into the easy and lazy method of proposing legislative fiat.

"It discovers the novel and unusual in our business life, thus making its interpretation as readable and entertaining as the radical's news story. When it describes, for example, the varied activities of our banking system, it provides a story for headlines as exciting as the proposal of a congressman or reformer that the postal system take over the nation's job of banking. It finds adventure and romance in the assembling of food on the modern breakfast table."

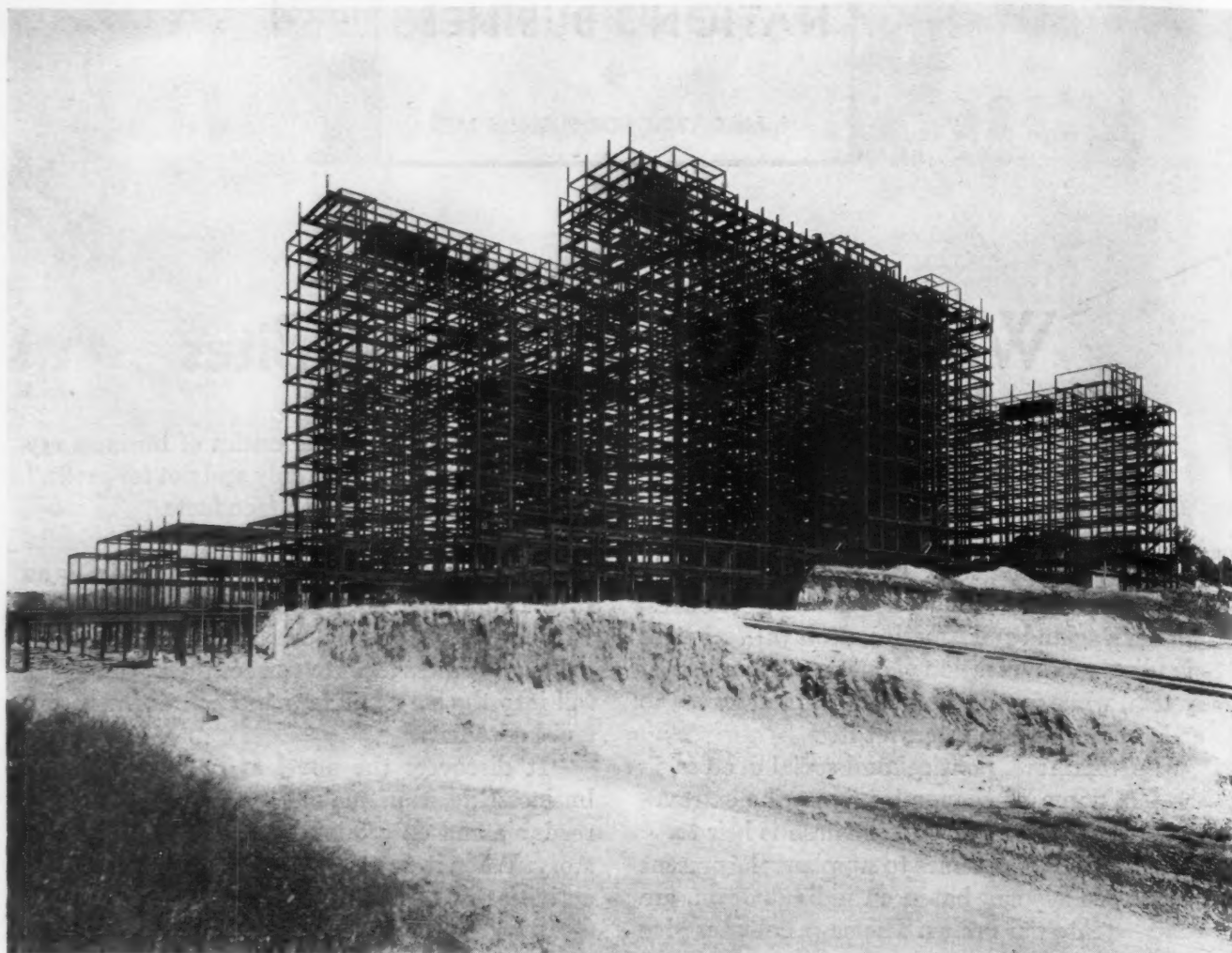
Which leads us to consider *our* favorite magazine. It never turns a deaf ear to the new proposal, but it believes the best way to evaluate the new is to understand the present. It believes it better to build toward an ideal industrial society by subtraction and addition than to fly to substitutions, most of which depend on a mythical, superhuman power called Government.

It believes that it is foolish to start with the assumption, as most writers do, that all is bad. The patient may not need a major operation—the red spot on his shin may be only a chigger bite, not a case for a wooden leg.

The need of the day is for economic statesmen who have poise and patience, not to upset but to make better what, after all, is not such a bad industrial system.

Merce Thompson

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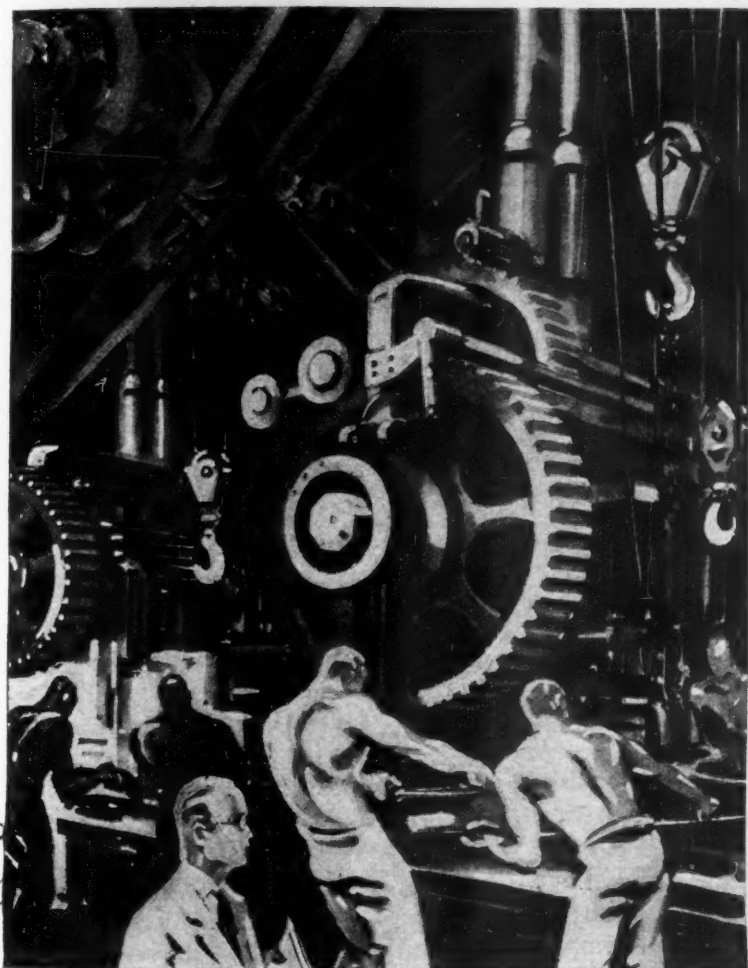
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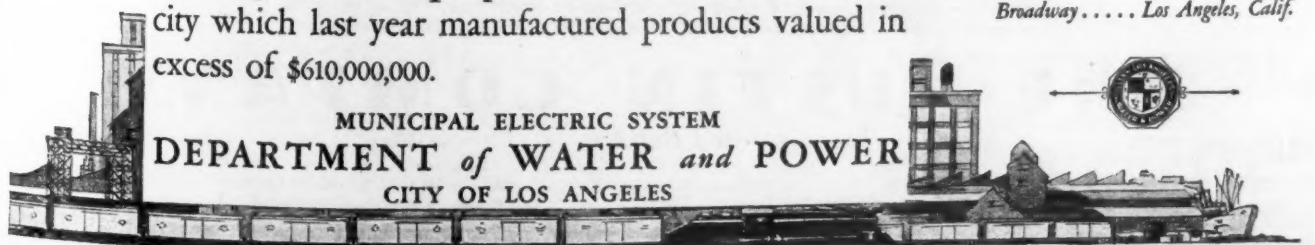


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NATION'S BUSINESS



Published at Washington by the Chamber of Commerce of the United States

MERLE THORPE, Editor

As the Business World Wags

THUS WE MAY SEE, QUOTH HE,
HOW THE WORLD WAGS—*As You Like It*

Questions on Exports ★

WE DID a sizable business with the rest of the world in the first half of 1929. We sold our neighbors near and far \$2,578,725,000 worth of goods, and bought from them \$2,286,353,000 worth. A good business and it looks as if the balance were on the right side, but it wouldn't be fair to put down \$300,000,000 profit and let it go at that. Take just one item that belongs somewhere in the account, how much did the American traveler leave abroad last summer?

But it is not alone the size of the imports and exports that concerns American business and the American public. It's the fact that for the first time, finished manufactures make more than half of our exports. The great gain is in automobiles and accessories, which now lead the list; in agricultural implements; in iron and steel products. The decreases are in cotton—no longer is King Cotton throned at the top of the export list—in tobacco, and in leather.

What Should the Farmer Get ★

WILLIAM F. JARDINE, ex-secretary of agriculture, at the Institute of Public Affairs at the University of Virginia bewails the farmer's plight and says:

"Today, out of the consumer's dollar the farmer receives, on an average one third."

With no desire to quarrel with the truth of the statement, we are inclined to say:

"Well, what of it?"

Suppose some one addressing a public meeting took from his pocket a knife, and holding it up said:

"Do you realize that out of the dollar this knife cost me, the owners of the mine, from which came the ore that made the metal for the blades, received less than a tenth of a cent?"

How many of his hearers would be moved to shed

tears for the mine owners' woes? Or if the comparison with the mine be unfair, how about the manufacturer? Many manufacturers do not get even a third of the consumer's dollar.

Perhaps the difficulty is in knowing who the consumer is. Here's a loaf of bread. Is the consumer of the wheat the miller who buys the flour to grind? Or the baker who buys the flour for his ovens? Or the housewife who buys the bread for her table? And if the farmer should have more than a third of a consumer's dollar which consumer's dollar should it be?

No, No, Mr. Secretary there are too many kinds of farmers, too many kinds of consumers, to make such statements worth while. But if Mr. Jardine and associates in the work of setting up better cooperative marketing can put more dollars in the farmers' pockets and leave as many or more dollars in the consumers' pockets, then there is no one who wishes him better luck than NATION'S BUSINESS.

A Merger in Distribution ★

A NEWSPAPER story of years ago was that when President Lincoln was assassinated, the New York *Herald* headed its account of the crime:

"IMPORTANT IF TRUE."

An inquisitive visitor at The Library of Congress looked up the *Herald* files to find that the headline was: "IMPORTANT."

If we were to single out the item of business news which best deserved the headline "important" it might well be the report that General Motors is planning to sell the products of Radio Corporation of America through its automobile sales rooms.

What are the advantages set forth? There is room in automobile sales rooms for articles which do not strictly compete. The instalment plan of selling is as common with Radiolas and Victrolas as with Buicks and Chevrolets. The season of selling automobiles is at its height in the spring while radios and talking

machines start up in the fall with a high peak before the holidays.

What are the objections? Automobiles are sold largely by personal canvass, by direct attack on the buyer by the seller, radios and phonographs are sold by show-room display. Moreover, can the same salesman versed in expounding automobiles learn the points which make one radio differ from its neighbor? Putting meat departments in grocery chains seems natural, but the union of radios and automobiles seems less natural.

Whatever the result this is the interesting point:

While our economists and our business writers are talking about the high cost of distribution and the business public is told how little of the consumer's dollar finds its way back to the manufacturer, here are two great American companies which are trying an experiment in joining their means of distribution in the hope of cutting those costs.

Grouping About the Man



LAST MONTH on this page we spoke of a tendency in some modern mergers not to join the producers of a single line, but to put together a group of products having some things in common. It is a desire for management rather than a desire for monopoly that is making our modern mergers. So we are getting groups of industries, "the Smith group of food products," "the Jones group of building supplies," brought together partly by a certain kinship in the nature of the business, but more perhaps by the possibility of spreading management over a wider field.

A notable instance of modern mergers is the recent acquisition of control of United Cigar Stores by a group headed by George K. Morrow, chairman of the Gold Dust Corporation. Gold Dust is already widely interested in food products, as well as soap and washing powders, while United Cigars had holdings in safety razors and cigarets and candy.

Now we see linked together a great variety of articles of familiar daily use, with retail outlets available and a closely related unity of management.

New Customers Grow Scarce



THERE is some 80 billions of life insurance in force in this country, or \$666 per capita, or if you take our families as averaging 4 members, about \$2500 a family. Not a bad total, but in the opinion of the life insurance companies not enough.

The companies have been talking cooperative advertising and selling of life insurance and they have discovered this: The need is not so much for more policyholders as for more insurance for the average policyholder.

The Life Insurance Sales Research Bureau says in a recent report: "It is clear that there is a relatively small market among possible new policyholders," and cites these figures in proof:

According to the data gathered, 86 per cent of the male prospects for life insurance carry \$1,000 or more insurance, leaving only 14 per cent with less than this amount. These percentages are supported by figures from a recent survey covering 2200 of the 28,000 stockholders of the Mitten Bank Securities Corporation of Philadelphia. According to the report, life insurance is carried by 94 per cent of the married men, by 78 per cent of the married women, by 81 per cent of the single men, and by 15 per cent of the single women. On the average, 86 per cent of the stockholders carry life insurance.

Shall the Post Office Pay?



THE POST OFFICE Department ought to be on a paying basis and the present administration intends to put it there. That's an admirable proposal and one with which it is difficult to find fault.

But, Oh! the obstacles in the way! What of the lowered rates to publications which are educational, what of the free distribution of country newspapers within the county? What of the rates on fraternal publications? What of the cost of rural free delivery? What of the franking privilege in Congress?

It is easy to put down as a principle that every piece of mail matter should be paid for at the cost of carrying it from the time it is put into the Department's hands until the time it is surrendered by the Department.

But if rural free delivery is being run at a loss, would the mail-order houses welcome rate increases? If Congress overworks its franking privileges will Congress cheerfully submit to new rules? Has the administration considered the cry that will go up from favored publications?

And more than all this, the reported plans of the administration include no effort to change conditions in the air mail now carried at a loss since it is well worth while to aid the commercial expansion of aviation. But if we subsidize one postal activity for a worth-while purpose how draw a line against subsidizing the distribution of congressmen's speeches for the enlightenment of the voting public?

Draw, Win, or Lose?



BUSINESS has watched with interest the lively skirmish between the maker of Lucky Strike cigarets and the candy industry. It has been a war of words to be sure, but still a costly war for words printed on advertising pages of magazines and newspapers are expensive.

But has the cost been so great after all? The Department of Commerce tells us that sales of candy went up 3.32 per cent in the first half of 1929 as compared with the first half of 1928, and that the nation's estimated candy bill of 1928—more than \$340,000,000—will be exceeded in the current year. The consumption—perhaps we should say inhalation—of cigarets continues to grow. In July, 1928, the country collected taxes on 9,700,000,000 small cigarets, and in July, 1929, on 10,700,000,000.

On the figures the advertising battle has been won by both sides.

But it is significant perhaps that the public is no



HORYDCZAK

IN THE July number we printed on this page a picture of a row of stores. In the center was a vacant one flanked on either side by chains. This "editorial without words" asked whether there was any independent capable



enough to go in and meet this competition. The question mark in the center of that picture has found an answer. Above is the row of stores as they look today, with the independent baker standing bravely in the center

longer being told to "reach for a Lucky instead of a sweet." The advertising of that cigaret no longer intimates that the products of a rival industry are harmful.

It is fair to guess that the candy industry welcomes quiet. No business likes to have millions of people told every day to avoid the goods it sells.

Fear and Flying



TALKING with a man whose business brings him into constant contact with aviation, a friend said:

"I suppose in your journeys about the country you have a

chance to do a good deal of travel by air."

"I do have a good deal of opportunity to fly," was the answer, "but I have never ridden in an airplane."

"Why?"

"Well, as I figure it there are three reasons:

"First, my partners are afraid.

"Second, my wife is afraid.

"Third,—and his manner grew more impressive—"I'm afraid."

Three very potent reasons and reasons which help to delay the public acceptance of air travel as they have helped to delay all new methods of transport. The first man who rode down the river astride a hollow log probably had timid and footsore companions limping along the river bank.

A venerable lady of our acquaintance who was

brought up in a city of horse cars used to complain of feeling the electricity in her feet when she rode in the then new trolley cars.

But the fear-complex in aviation, if that is what the psychologist would call it, is fast disappearing. Familiarity may never breed contempt of air travel but it will certainly drive away fear—and the boy of today who has seen airplanes all his life and who rode in one when he was ten will never have a fear of them.

Manchuria and Our Business



IN THE focusing of attention for several months on the Russo-Chinese struggle the related interests of both Japan and the United States in Manchuria have generally escaped notice. Whatever happens eventually to the ownership and operation of the Chinese Eastern Railway, as between communistic Russia and nationalistic China, imperial Japan will be immediately affected thereby. And hardly less will the business interests of the United States be concerned.

The United States is fourth in the total value of Manchurian exports and imports. Japan, occupying the most actively developed territory, leads both China and Russia by a comfortable margin.

How does this leadership interest the United States in dollars and cents? Just to this extent: The Japanese in the development of Manchuria have purchased in this country materials and equipment of all kinds to

the value of nearly \$80,000,000. We loaned them no money. They paid cash.

Now the Japanese—in their own islands already our largest oriental customers—want to borrow in this country an additional fifty millions or thereabouts with which to finance the rebuilding and extension of their Manchurian railroad system which has vital connections with the railway enterprises of both China and Russia.

This is more than a banking and bond-selling proposition, because the almost invariable history of similar transactions in China shows that the country furnishing the loan receives in return about 50 per cent of the total in orders for materials.

China also is looking for money to maintain or to build railroads, and Russia needs it, in territory adjoining which only requires the vitalizing of these arteries of trade. Chinese opposition to foreign exploitation, when associated with political or military activity on their own soil, halts this Japanese loan not long before active hostilities begin against the Soviets along the Siberian frontiers of Manchuria. The present "war" over the Chinese Eastern Railway seems a deliberate attempt by the new Nationalist government of China to get down to brass tacks—or, rather, to steel spikes—on the whole moot question of sovereignty in the most internationally nervous and one of the most commercially potential of their dominions.

War seems a clumsy method of settling the operation of these inter-related arteries of North China. The question is not only a matter of interest to those nations immediately involved. In the possible shifting of two, if not three, of the most populous nations of the world from a peace to a war basis, world trade is inevitably interested and the entire commercial relationship of the United States with the Orient may be forced into readjustment. Politically our policy is hands off. Commercially we can hardly avoid minding Manchuria's business.

Selling Helps the Buyer



THE HEAD of a company, whose business it is to devise selling methods for other companies, comes frequently to Washington. When he does he takes most of his meals

at a small but successful restaurant.

His experience moved him to say the other day:

"I sometimes wish I could take on a job of selling what people want. It seems to me and I suppose it is inevitable that most of my work is devoted to preparing plans for selling to people what they don't want. If this little restaurant which I like so well were eager to sell to more customers, I'm sure I could help them. But no, I'm always being asked to show a manufacturer how to sell something for which there seems either to be no real market or a market which seems to be adequately supplied."

A very common situation in many lines of business and one upon which are based many of the public complaints against "high pressure selling," "overselling," and "the high cost of distribution."

It's a problem which such a publication as NATION'S BUSINESS faces. The "want" for *The Saturday Evening Post* or a new and lively detective story or a magazine filled with photographs of bathing beauties is far more easily recognized than the "want" for a periodical dealing with more important but more serious things.

The case of NATION'S BUSINESS is a first-rate answer to those who protest against selling, who would have the world and his wife buy only to fill their own wants and never "be sold" anything.

This country has any number of business men for whom this magazine fills a very real want but who aren't conscious of the existence of that want until they are made to realize it by a circular or by a talk with a salesman.

And what is true of the magazine is true of a thousand and one other things. The right kind of selling of the right kind of things, the selling that tells a man of things which make life broader, or more comfortable or which add to happiness and understanding is good selling, good for buyer just as much as seller.

It would be a poor world if there were no way of awakening desires.

Throbbing News of Business



"SAME OLD ROUND" said the business man just back from a holiday. "Same old callers, same old letters; there's nothing much new in business. And the week he

said it, these things happened:

John T. Ringling, having learned that he couldn't have Madison Square Garden just as he wanted and that another circus would get the Ringlings' place, bought out the intruding circus and five other circuses.

The American Telephone and Telegraph Company helps the war on the Mediterranean fruit fly by working on a sort of stethoscope by which those interested may hear the larva of the fruit fly as it eats.

The Agricultural Department produces a machine for testing the tenderness or toughness of meat before and after cooking.

The Boston and Maine Railroad, having to ship some giraffes from Boston to Detroit, found it had no suitable cars so it borrowed from the General Electric an underslung car which is used for shipping large electric transformers and are two feet nearer the road bed than ordinary cars.

Sales of lipstick have been increased by improved flavoring.

Turks are buying more safety razors from us and fewer beards are seen. Among the things we take in return are apricot kernels and licorice.

Chemists propose that farmers should make their own gas from cornstalks confined in a tank with household wastes. And after that you can make writing paper out of what's left.

The Soviet government has bought the entire outfit of two American clock and watch factories, and will reerect them in Moscow and turn out watches and clocks by the million.

Nothing new in Business, eh!

How the Chain Store Helps the Independent

THE independent merchant, poor chap, is done for. In this land of the free and home of the super chain-store organization, there is no room left for the little fellow with only one store.

So runs the familiar song. We all have heard it. But what are the facts?

Whenever the subject is brought up, I like to call to mind the surprised farmer one of our executives discovered near a Wisconsin community that I'll call Townville. He was fixing fence when our man, without identifying himself, stopped by the roadside to chat.

"I hear," said our man, "Montgomery Ward is putting in a store over at Townville."

"Yes," the farmer chuckled, "and I'm told there are plenty of noses out of joint in that town."

"How so?"

"Why, those Townville storekeepers have been gouging folks for years, asking two prices for everything they sell. I've an idea they're going to get their just desserts at last, and they know it. It serves



«THOSE storekeepers at Townville have been gouging the public for years,» a farmer told a Montgomery Ward executive. «It serves 'em right that Ward's are opening there.» But, strangely, the Townville merchants welcomed the new chain store. They had sound reasons for doing so

'em right, to my notion."

For some grievance real or fancied, he had come to believe that all the storekeepers in this really progressive county seat were Shylocks. He said he had not done a dollar's worth of trading there for years. He got his supplies at the crossroads store nearby, and nearly everything else from mail-order houses.

"I expect you'll drive in and see Ward's new store," our executive suggested.

"You bet! It will do me good to watch the other merchants smart!"

Two weeks later was opening day. As usual, thousands of people passed in and out of the new store, and they tell me the old farmer was among them, his mouth wide open.

"Say!" he exclaimed, "how do you explain..."

It amazed him to see half a dozen rival merchants greeting folks in our store, saying freely that they were glad to have us for neighbors, and occasionally offering a smiling reminder that they had stores of their own down the street where they would be glad to welcome anybody who did not find on our shelves

By George B. Everitt

President

Montgomery Ward & Company

ILLUSTRATIONS BY SIDNEY FLETCHER

just what he wanted. It was all wrong, according to the farmer's notion. The others should have been sulking behind their own plate glass fronts.

However, he went home with a new bee in his bonnet. I understand he has been driving to Townville to trade pretty often, and our store does not get all his business—not by any means.

We learned new lessons

THERE, in a way, you have it! When Montgomery Ward & Co., after 56 years of exclusive mail-order selling, began establishing chain stores, we learned things about merchandising that we never knew before.

"Chain stores will ruin the local merchant."

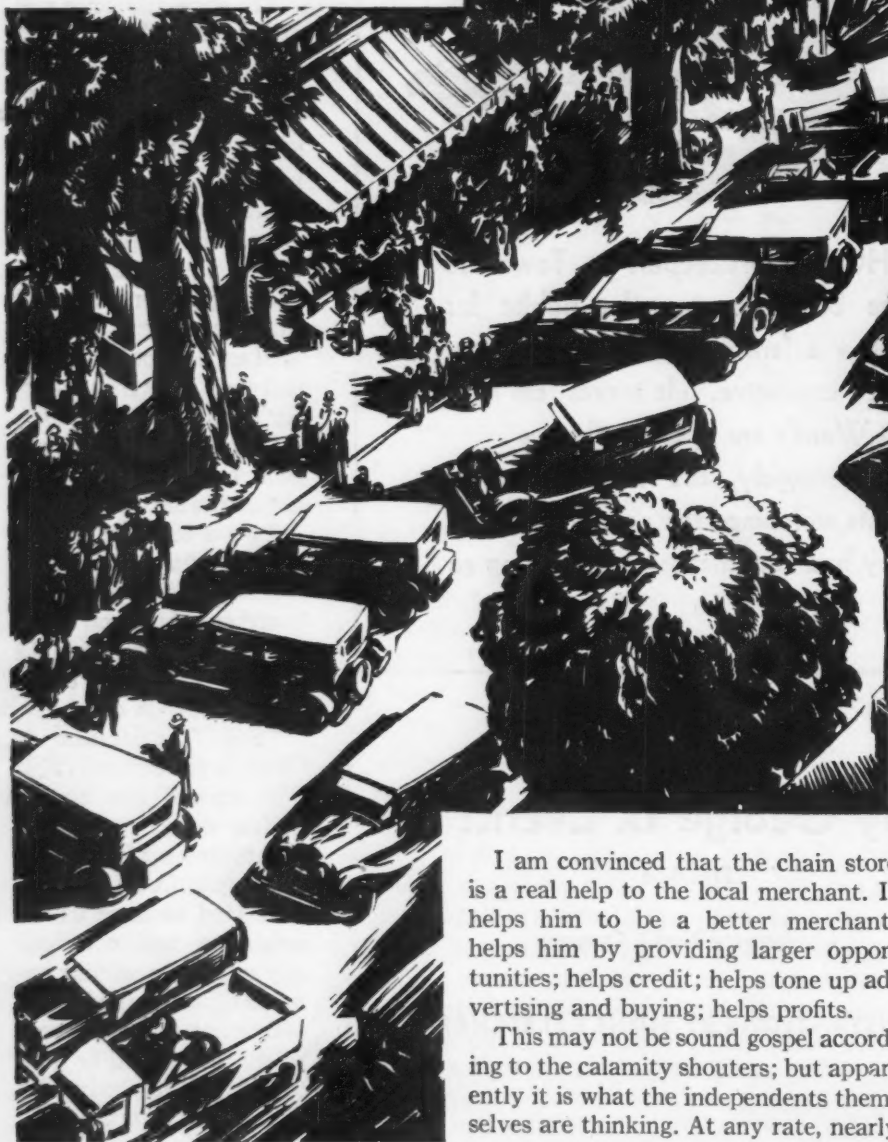
This was, of course, the cry flung in our teeth first and oftenest.

We never believed they were doomed. Yet we did not know what attitude local merchants might take toward our competition, nor what our coming might

do to them—or us. We were, frankly, learners.

After opening approximately 400 stores in a little more than two years, we are better acquainted with the facts. I am prepared now to assert that the independent in his announced passing-out, bears a strange resemblance to stage favorites who make "final appearances" year after year.

From where I sit, the independent looks healthier, more prosperous, and in a sounder position, than I have known him for years, perhaps ever. This, in spite of the frantic chain-store development. Perhaps because of it.



every week I entertain callers or committees from chambers of commerce in towns where we do not have stores.

They tell me they have studied what has happened in other towns; they know that the chain store is not a fire-flinging dragon, but is usually a desirable neighbor. They are sometimes a little impatient if our program does not allow us to come to their towns right away!

Specifically, I see three big ways in which the chain store aids the local merchant.

First, it opens up a wider trade area.

When a chain organization of established reputation opens a store in a town, that town automatically becomes a trading focus for dozens, in some cases hundreds or even thousands of families favorably disposed to the or-

I am convinced that the chain store is a real help to the local merchant. It helps him to be a better merchant; helps him by providing larger opportunities; helps credit; helps tone up advertising and buying; helps profits.

This may not be sound gospel according to the calamity shouters; but apparently it is what the independents themselves are thinking. At any rate, nearly



When a chain of established reputation opens a store in a town, that town automatically becomes a trading focus for hundreds of families

ganization but not in the habit of making that town their trading center. In our case, this situation is somewhat intensified by the fact that for half a century we have been selling by mail, and already have customers and good will in every community, but to some extent it is true of all the more prominent chains.

Note what happens. Upon opening a store, we distribute circulars to all our customers within a radius of about 50 miles, inviting them to come and get personally acquainted.

Our opening-day visitors

VISITORS on opening days are counted. Unless we are unfortunate in the weather, we can count on having anywhere from equal to double the population of the town.

At Chariton, Iowa, for example, the population is 5,226, and the number of visitors was 12,057. Hickory, N. C., has a population of 5,067; visitors numbered 16,680. Medford, Oregon, has a population of 5,756; visitors numbered 12,762. So it goes.

These towns are not exceptional. We have had 40,000 people at a store opening. The point is simply this. We

are not the only ones who profit. Many a merchant reports the biggest business in his history on Ward's opening day. And the increase lasts.

It is obvious to every observer that the retail merchandising situation in country districts is undergoing revolutionary changes, made inevitable in part by the automobile and good roads. Retail business is becoming concentrated more and more in the larger towns. Each such town commands a far wider trading area than heretofore.

Very small towns are gradually losing out as are merchants who are inefficient or cannot readjust themselves to new conditions. This creates temporary hardship in some cases, no doubt, but there is always a price for progress and the general movement is sound.

It puts business in the hands of merchants with enough trade to carry representative stocks and to operate with profit for themselves and with economy for customers. On hard roads it is no trick for farmers to drive 20, 30 or even 40 miles to shop, and they naturally gravitate to the town in their vicinity that has the most attractive merchandising set-up. That town is usually one with a leavening of chain stores.

A recent incident indicates how merchants themselves often view the situation. A man from Centralia, Ill., visited our Chicago office.

"When I first heard Montgomery Ward was going to open a store in Centralia," he said, "I was thoroughly dis-

couraged. I told my brother-in-law I might as well sell out and leave town.

"Before I went that far, though, I visited Kankakee. I knew you had a store there, and thought I'd see what the merchants said about you.

"To my surprise, every man I talked to was for you. They said your coming was the best thing that ever happened to the town.

"I saw a department store right near your place. There were lawn mowers and tires and a lot more of the same goods in their windows and yours, and your prices were lower.

"'Hello!' I said to myself, 'here's one fellow who certainly won't be a booster!'

"But I was mistaken.

"'Mr. C——,' he said to me, 'if I heard tomorrow that Wards couldn't pay the rent on their store, I'd dig down in my pocket and pay it for them, if that would help to keep them here.'

"That settled it," he concluded; "I went back home and told my brother-in-law I guessed I would stay in business in Centralia after all!"

No monopoly on trade

NO ONE store or class of stores can do all the business in any town. There is, and always will be, ample room for the independent whose eyes and ears are open and whose mind is awake.

Second, a chain store in a neighborhood usually tends to tone up the merchandising methods of independents.

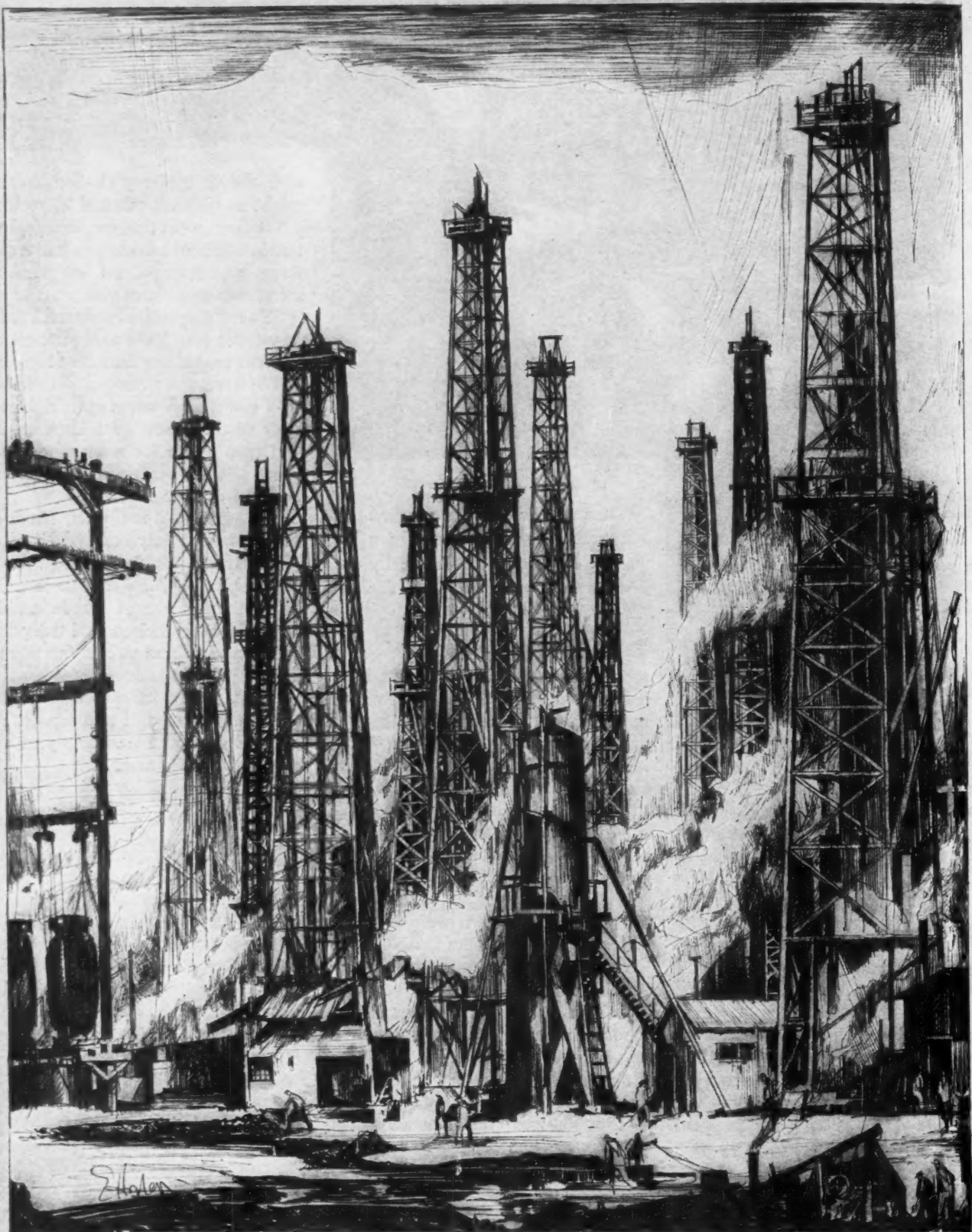
Chain-store organizations, in the nature of things, have to study their problems intensively and standardize on the best methods they can devise. Wherever a chain store locates, therefore, the local merchant has before his eyes, not only for competition but also for study, methods which may have been produced at great cost. He can copy or adapt—and probably improve.

The mere presence of chain stores is a challenge, an incentive, and a standard of comparison.

Chain stores, by and large, exist on price appeal. When chain stores enter a town independents almost always scrutinize their own prices more carefully; where these are out of line, they make adjustments.

This does not necessarily mean that they enter into direct price competition

(Continued on page 182)



Where Electricity and Oil Meet—By Earl Horter

ELECTRICITY, that jinni of modern times, is finding a broadening usefulness in the oil industry. Harnessed to a walking beam it speeds the rise and fall of the cable tool in the new hole or, if rotary drilling is used, with equal ease twirls the bit at the

end of the mile-long drill pipe. Later it mans the pump that speeds crude oil along pipe lines to the refinery, plays a large part in the processing there, and eventually transfers the gasoline into your automobile tank at a modern filling station

RADIO and the movies, once thought of as rivals, have become allies. What will this union mean to you, the public? How will television figure in the picture?

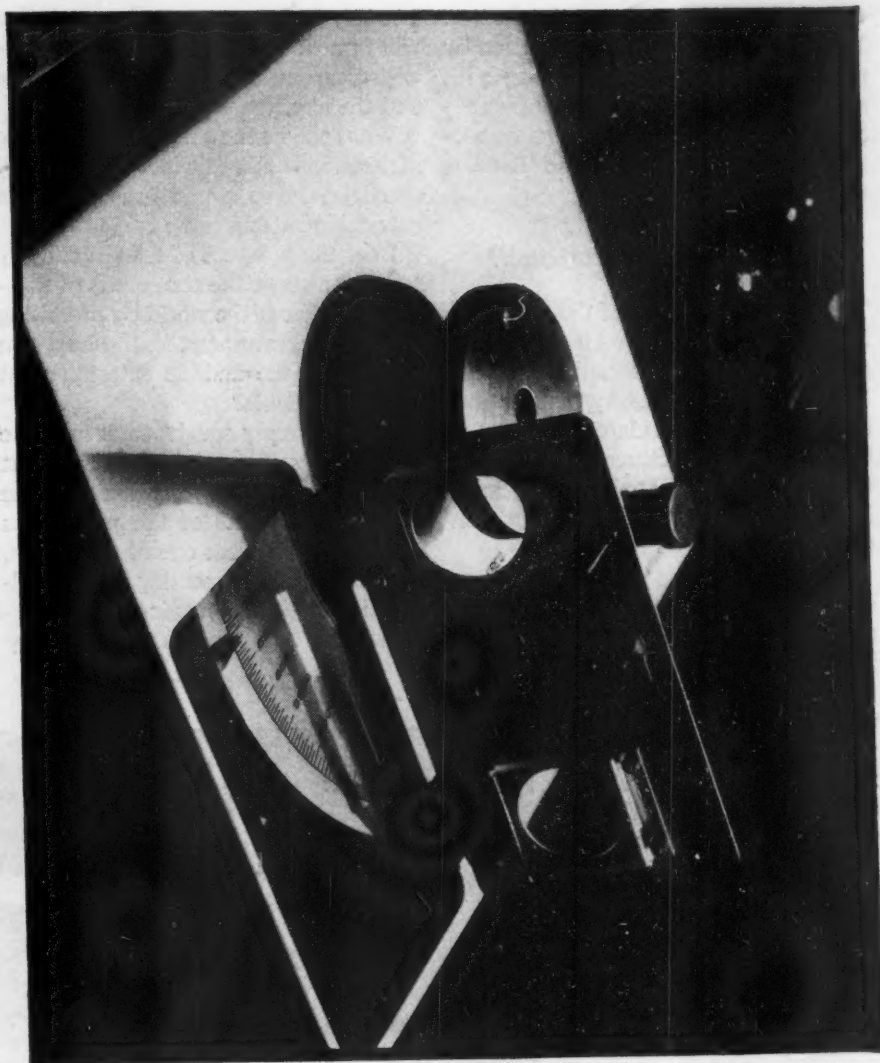
PHOTOGRAPHS BY
JOHN PAUL PENNEBAKER

IT IS MORE than an axiom that the public has to be amused and entertained. It is an economic necessity. What the motion picture has done for the worker wearied by a day of toil has been dealt with in pulpit and press, debated for years by statesmen and educators. Now we have radio, with its manifold potentialities and problems.

People have assembled to be entertained and instructed for thousands of years. They will, I believe, continue to gather for these purposes for many generations to come. The theater is as natural an institution as is the school-room. It is the expression of group psychology. Man being a social creature, he likes to rub shoulders with his fellows. Emotional response in an audience is infectious. Laughs engender laughs, thrills sweep like electric currents through multitudes. Scenes of dramatic poignancy, on stage or screen or platform, affect a group mind that exists for the moment as one, though it may be composed of thousands of individuals.

The theater is a major industry in the national economy. Millions of dollars and hundreds and thousands of persons are engaged in this industry. The theater is at once a stable institution and a capricious one. It is affected by a multitude of factors. Not the least important factor now entering into the theatrical business is the radio, youngest and most ambitious of entertainment mediums.

We of the broadcasting branch of the radio industry, the branch that now enters almost as intimately into the daily lives of the citizenry as the newspaper, are constantly beset with inquiries about our present and future



The scale of a new type of oscillator, a mechanical watchdog which keeps broadcast tones transmitted by telephone wires from going awry



Radio and the Movies Join Hands

By WILLIAM S. PALEY

President, Columbia Broadcasting System

activities, about the possible and probable effect of radio on the basic medium of entertainment, which is the theater.

We are asked again and again whether a clash is not imminent between the parvenu radio and the old established theater. Particularly since the introduction of the so-called "talkies," which

demonstrated that the motion-picture industry is also a creature of the laboratory whence radio sprang, have we become the cynosure of industrialists and sociologists.

These "talkies," emerging from the electrical laboratories ahead of television, have served as the basis of much

speculation about radio and the theater. Will not the simultaneous reception by radio (or wires) of vision along with sound shake the theatrical business—and I must refer especially to the motion-picture business—to its foundations?

What will be the outcome?

THE recent affiliation of the Columbia Broadcasting System with one of the greatest of the film organizations, the Paramount Famous Lasky Corporation, has served to stimulate all sorts of theories and conjectures. My own interest has been whetted and my fancy intrigued, for I must guess along with the others.

Radio and motion pictures, once considered potential rivals, have become allies. Scientific progress has served to introduce sound into motion pictures. Science gives us reasonable prospect for vision in radio broadcasting. This advent of an element into each field that was formerly peculiar to the other has resulted in a mutuality of interests of such far-reaching significance that unlimited new possibilities are dawning in the entertainment world.

Talking motion pictures are an accomplished fact and apparently are here to stay. Television, we are told by the best minds in the laboratory, is "just around the corner." I shall not attempt to predict how far away the corner may be, for the most eminent technical workers in that field balk at definite prediction. But we are all confident that television is coming. It seems as certain as fate.

It is my conviction that, just as the films have utilized the resources of radio science to give the screen a voice, so it is reasonable to assume that radio broadcasting will eventually borrow from the master minds and facilities of motion pictures in the presentation of visual radio entertainment. Whether we will broadcast the images of radio performers from the studios, motion-picture performances off film strips synchronized with sound, or theatrical presentations from stages, I am not prepared to say.

Possibly all three types of presentation will furnish television its subjects along with great news events, sporting matches and the like.

What will be the effect of the merging of theatrical and radio interests, already noted, on the economic structure of the entertainment business?

Does the prospect of television carry a threat against the thousands of theaters throughout the world by promising visual entertainment in the home in addition to the audible entertainment already available?

I have already sought to answer the first of these questions, partially at least, by my opening references to the gregarious instincts of the people. As for the second, I am one of those who, while thoroughly expecting that the almost inconceivable magic of visual reception will be accomplished within my

sider. Does not science, like nature, always strike a balance?

Scientific advancements, suddenly as they sometimes come, seldom destroy the things they presumably replace. Usually new inventions simply make old ones more useful.

In many quarters only a few years ago it was felt that radio broadcasting would spell doom to phonographs. Instead, radio provided the phonograph industry with electrical recording and reproducing and with new conceptions of tone qualities and volume. A vast new market was opened, a market that was expanded considerably when the radio manufacturers began to combine phonographs with radio receiving sets. At least one great merger of radio and phonograph interests has occurred within the year. Far from driving out the phonograph, radio stimulated it to new usefulness.

Ill-founded fears

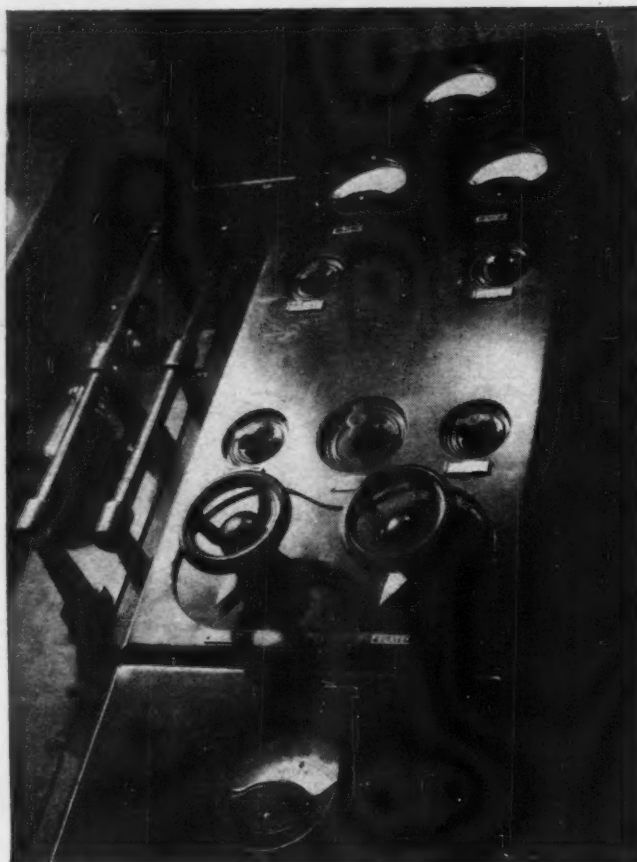
THE COMING of radio broadcasting also brought fears to the minds of some that the public would prefer to stay at home to listen to radio programs and that the motion-picture business would suffer as a result. The groundlessness of these fears is proved by the fact that attendance at film houses has increased consistently year by year. New and larger theaters are constantly being built. Radio itself gave the screen voice, music and the multitudinous sounds of natural activity.

The progress of science was not destructive to the entertainment industry. It simply gave the public the right to demand more for its money.

Even when television is perfected on a commercial scale and televised subjects are broadcast for reception directly in millions of homes, the motion-picture theater will continue to thrive as the gathering

place of entertainment-seeking multitudes. Again I am theorizing, but the history of the theater and the radio would seem to bear me out.

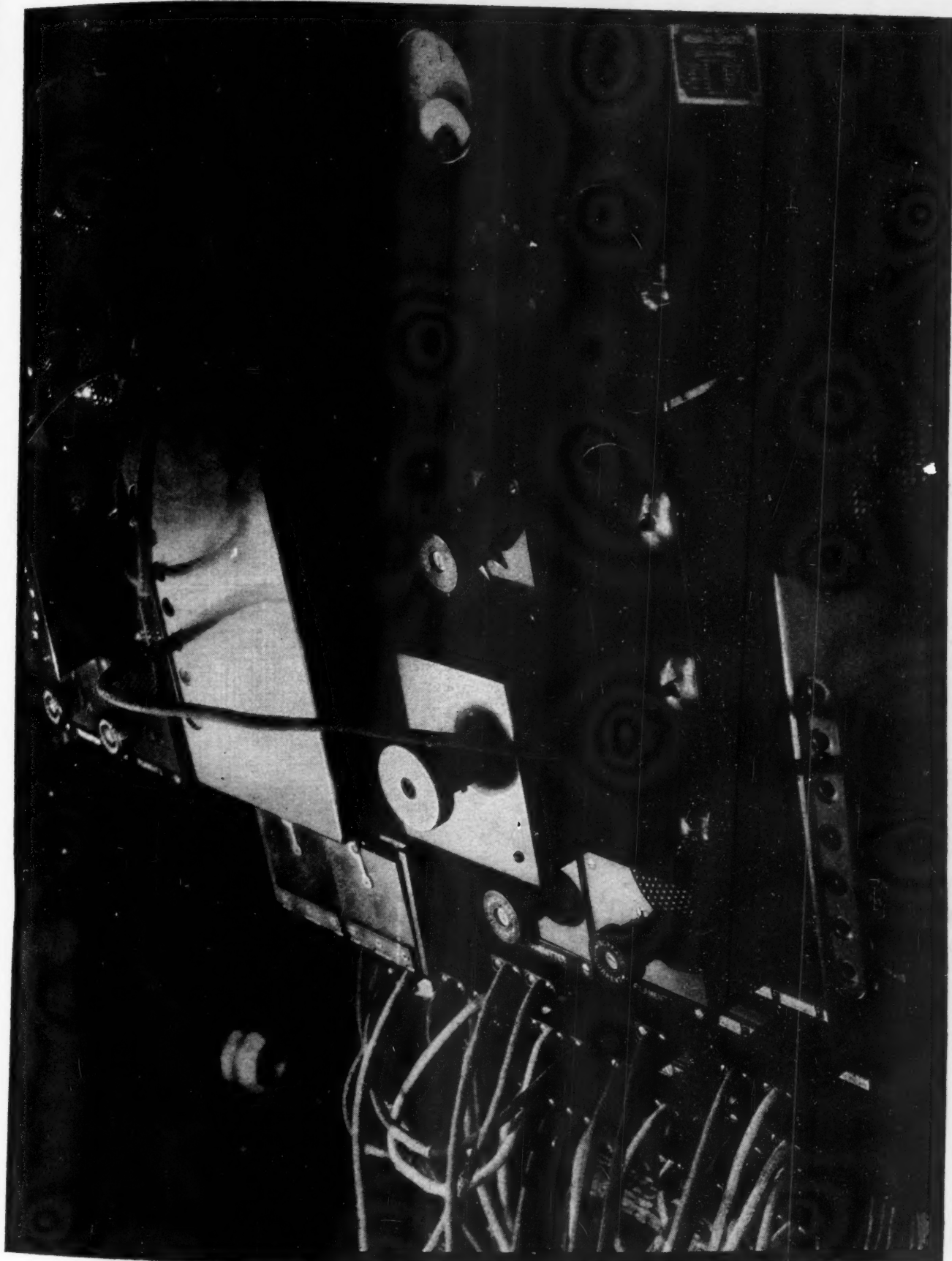
When television comes, whether it be in five years or a score, it will play a
(Continued on page 237)



A rectifier, a new apparatus that takes the place of "B" batteries in C. B. S. broadcasting

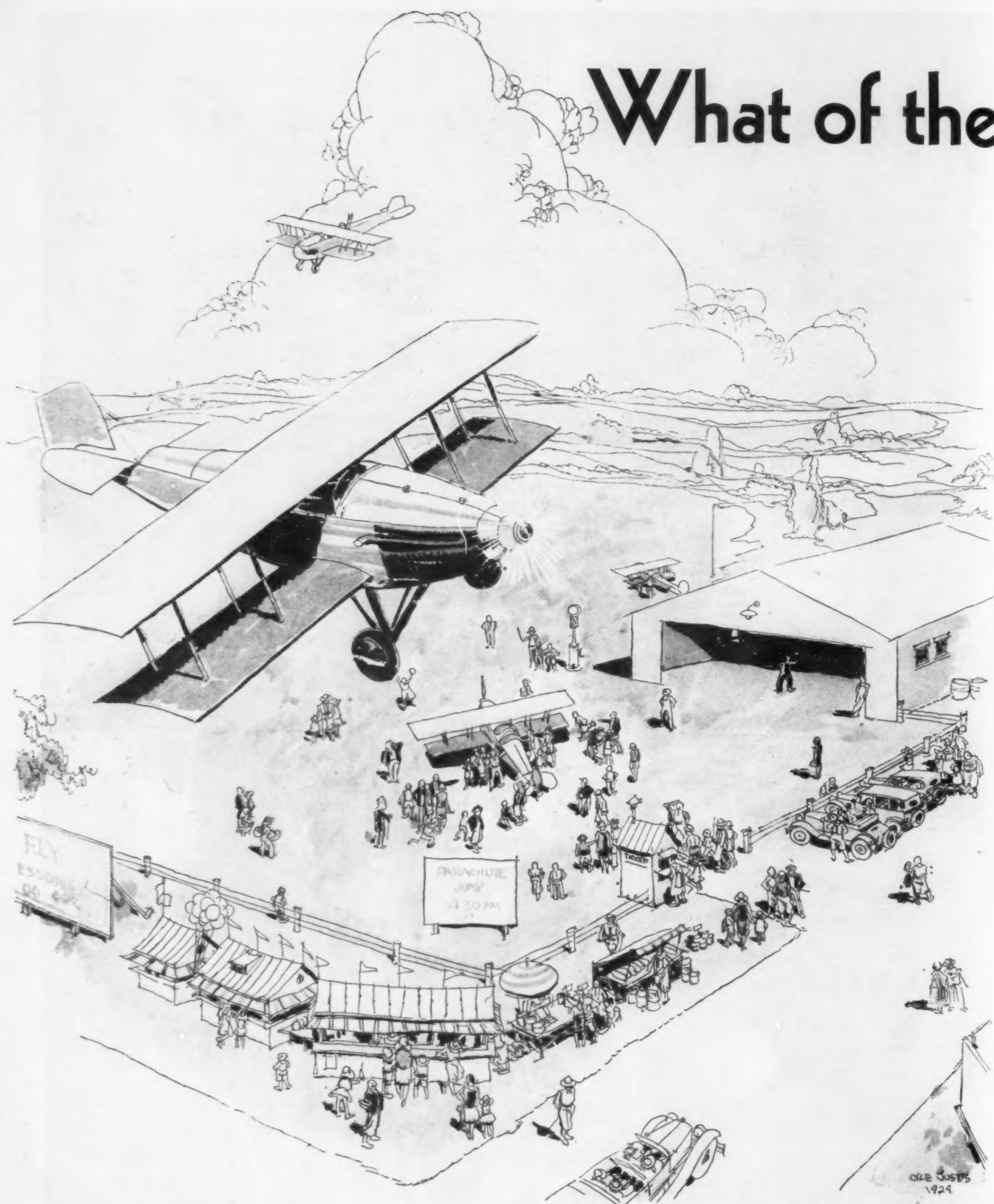
lifetime, still believe just as profoundly that the theater will survive and flourish.

Questions like these naturally arise when we are faced with the prospect of new and revolutionary changes in any line of endeavor. Yet pause and con-



YOUR secrets are out with a vengeance if this apparatus, one of the many 8C amplifiers in the master control room of the Columbia Broadcasting System, in New York City, gets hold of them! The whispers that come to it from the microphone it magnifies into full-throated roars, ready to be hurled forth to a million housetops all over the land.

What of the



Many of those who go for Sunday afternoon joy hops seek only to determine if they are afraid

COURAGEOUS individuals, with legitimate title to the honor of wearing wings having done their work (in many instances wholly fool-hardy until it was achieved), it is time to consider the next great obstacle to the full establishment of human, power-driven flight as a going and paying proposition of

Twentieth Century civilization. This obstacle is the nonflying public.

Many persons of no small importance in the new industry of aviation would prefer to ignore the difficulty, to decline to face this great group whose strength sets up an enormous parasitic resistance to aviation in clean, swift flight to commercial success. These same

persons have gone on building and experimenting until today there are more than 100 types of commercial planes for many of which there is no market or demand.

These aviation men when questioned as to what is to be done with the nonflying public customarily express the belief that the wall of resistance will

People Who Won't Fly?

By Francis D. Walton

Aviation Editor, New York Herald-Tribune

ILLUSTRATIONS BY LYLE JUSTIS

collapse all at once; that the banker, the baker and the candlestick maker who previously shied from the sight of a plane being revved up for flight lest at the last minute they be invited to go along, will wake up one bright morning as a sleeping army rouses to the bugle's call and shout, "Let's go!"

A testing block for fear

THE wall has given signs that it will weaken. Seven days after one of the worst accidents that has yet befallen heavier-than-air flying in the United States more persons crowded into the local airport near which the accident occurred and paid money to be taken on a short sight-seeing trip than ever had been at the field before.

The presence of the nonflying portion of the crowd can be attributed in a measure to morbid curiosity. It would be safe to say that a certain portion of those who flew went aloft from self-goading, calculated to determine whether fear really exists in the self-examined individual. It is doubtful whether such flying will bring an immediate increase in the flying public. The flight undertaken to examine the absence of fear will, if the examination is honest, only reveal the existence of fear, which is a wholly normal and natural thing.

The theory has been advanced that the really youngest generation of today will take to airplanes as their parents took to the automobile. On the surface there is nothing wrong with this belief. The theory is sound, but a business struggling today for support may not be able to wait until it is demonstrated. The numbers this changing viewpoint and normal education will bring is problematical and since

many airlines now need immediate business to keep above the wash of red ink it seems neither a wise nor a sound thing to wait upon the whim of a youngest generation, which when it comes of age may consider flying quite obsolete.

It is the nonflying public of today, its fears and its purse which must be studied.

The nonflyer going up for his first plane ride is becoming a favorite subject of the humorists. Perhaps this indicates progress of sorts. A recent contributor to a national weekly recites the following reactions to a first airplane ride:

"Closing your eyes so that you won't see the final crash. Opening your eyes so that you won't miss it. The discovery that the motor has picked up and that you are now circling low over the aviation field.

"The landing. The hope that you won't look as shaken as you feel. The fixed, uncomfortable smile. The glance back at the pilot, who still seems so bored that it must have been all right, after all.

"Your rising enthusiasm as your feet touch ground. Your patronizing statement that nobody who has not been up can possibly imagine how wonderful it feels. The barefaced lie that, if you had a chance you'd do it again tomorrow."

The real value of this contribution to the new literature of flying is not so much its humor as its fundamental truth.

Few first riders are aviation enthusiasts



when they come back to earth. That initial flight, if the analogy may be made, is like the first drink of hard liquor, more than likely to be quite distasteful. It is doubtful if any worth-while portion of the American public which flocks to airports all over the country on the bright and sunny Sundays (when the flying probably is extremely bumpy) is a permanent and material aid to domestic aviation.

Certainly the roving American who flies the English Channel when abroad because it is the thing to do is no great help to the new and struggling business when he gets home. As a rule he is a distinct liability for he has an annoying habit of being terribly critical of American planes and American pilots and to prate of the superiority of European lines over those of the United States.

In considering the nonflying public, the man studying the business of aviation should be warned not to put too much faith in the value of the educational work the fixed base operator is doing in taking novices up for joy hops. It is necessary for the individual to have made at least two or three airdrome flights and then a cross country flight under favorable conditions and for a purpose, really to grasp the value of flying, and to become enthusiastic about it.

Let us assume that such a flight is made between Detroit and Cleveland. The mental states through which the passenger will move to complete enthusiasm may well be studied.

The making of an air fan

THE great Ford airport at Dearborn will have dropped out of sight several minutes before the novice has ceased to worry about any or all the engines on the tri-motored plane, or reached the none too happy conclusion that if anything was wrong with one or all of them he couldn't do much about it.

Having gotten that difficulty out of the way he will employ several more minutes going over the argument by



which he was persuaded to make the trip. But by the time Sandusky is moving lazily beneath the ship, the passenger, with ample opportunity to contemplate trains struggling in a vain race to keep up with the plane, will have begun to compute the time saved by the air trip, to realize that he can be in Cleveland, complete a number of business engagements and be half way back before the train by which he might have been "foolish enough" to come, reaches the Ohio city.

If he has work to do, he will find it easier to do it—reading reports, studying contracts and the like—in a flying plane than in a train with its many distractions nearer at hand. Also, and here is a point that corporations which have purchased one plane mainly in the disappointed hope that it will bring them much free newspaper publicity should realize, the prestige of a representative arriving in a plane to transact business is enormous and one which the flying business passenger will instantly grasp.

Here then is an air passenger in the process of conversion to an aviation enthusiast. The process at the very slowest will be completed by the time the plane is half way back to Detroit. But wait. There is one more difficulty. If the pas-

senger is a paying fare (and alas, the balance of chance is that he is not) there is still the basic consideration of traveling expense.

Here, indeed, is a hard nut to crack, but one which we are quite unwilling to put back in the fire now that it has been pulled out. It is a matter which concerns the nonflying public. Few business executives are yet prepared to approve air travel at rates three to four times as high as those charged by the railroads.

Salesmen, as a group, if they could get their superiors to approve the increased traveling expense might set up within their group a competitive race between flying and nonflying salesmen. It would be safe to wager that the flyers would win, other conditions being equal. This procedure and its result would at least provide a wedge to break a portion of the traveling public away from the ground. The average charge for air transportation is 14 cents a mile. It seems to be entirely just. On a 420-mile airway, for instance, the monthly mileage, with two round trips daily, on a 26-day month operation, and allowing 10 per cent for dead mileage due to winds and detours, and five per cent for forced landings and ferry, will be 50,232. When this is

reduced to flying time it will give approximately 502 flying hours a month.

On this basis the airline operator will find his direct flying costs divided up about as follows:

Gas, 502 hours, at 15 gallon per hour at 30 cents per gallon . . .	\$ 2,259.00
Plus 10 per cent waste and evaporation	259.90
Oil, 502 hours, at three-quarters gallon per hour at 75 cents a gallon	282.37
Plus 5 per cent for waste	14.12
Pilots' pay at 5 cents per mile for 50,232 miles	2,511.60

TOTAL DIRECT COSTS \$5,326.99

But in studying airway operation it is found that indirect flying costs come to even a larger total than direct flying costs. The personnel required to maintain a plane in flight is large. Then in addition to the payroll of the ground crew and officers of the operating company there are the items of rental, publicity, advertising, and insurance, which brings the monthly expenditures of the line, including the direct flying costs, to approximately \$20,000.

With this in mind we look to the possible revenue of such a line. On the 14

(Continued on page 204)



Trains struggling in a vain race to keep up with the plane help the air passenger making his first flight to forget his fears and realize the advantages of the trip



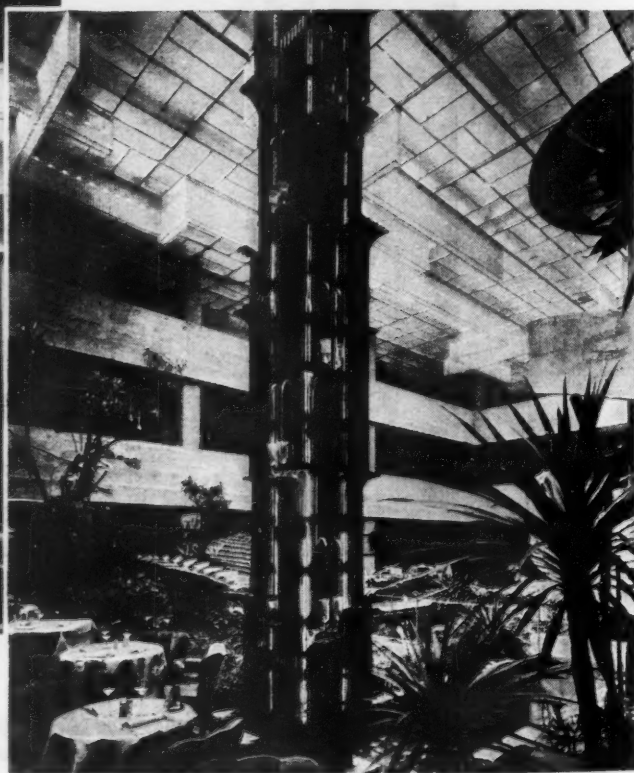
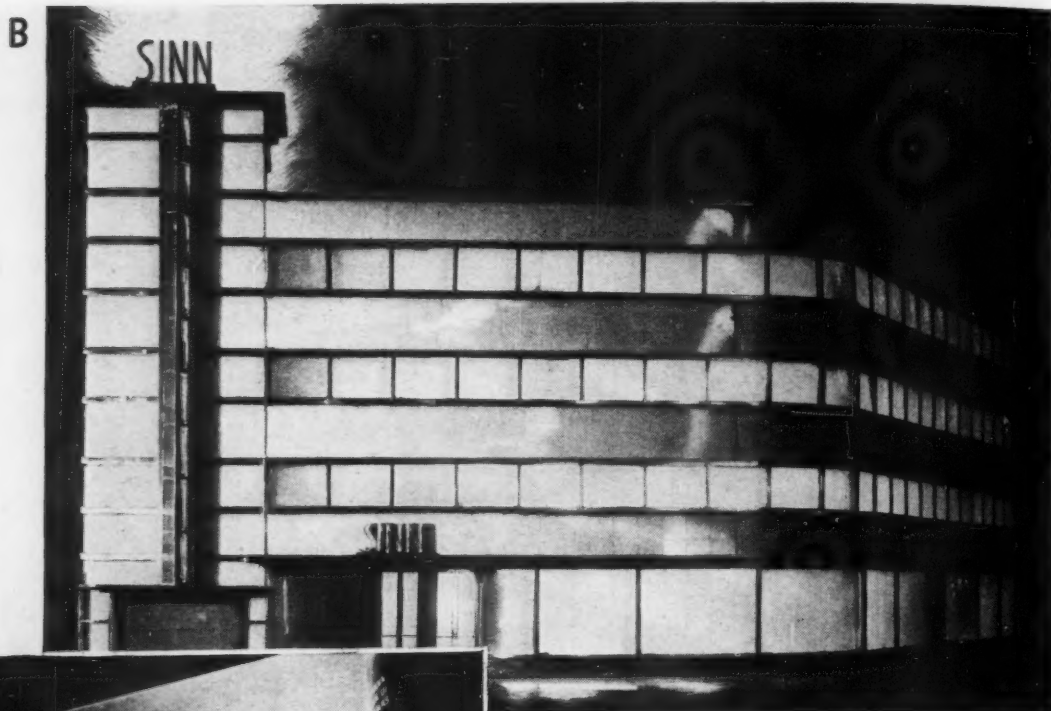
Making Purpose a Part of Design

IN GERMANY a new class of specialists called Decorative Artists is developing a distinct type of architecture in which decoration is implicit on the structure and the use. These men recognize the possibilities of using the resources of mechanical processes. Structure and function are their first study, then the design on a functional basis. They attempt, not to graft art onto function, but to bring out the potentialities of art in structural necessities. Their creations, pictured here, are already in use.

A The department store Schocken in Stuttgart, designed by Erich Mendelsohn. Here the steel structure is admitted

and, in harmony with it, as much glass as possible is used. Daylight is obtained by using a rounded corner formation and front which is set forward six feet from the pillars of the frame instead of being made flush with it. The name standing out in illuminated letters on the wide band of dark necessitated by the structure, gains additional emphasis from the contrast.

B The department store Sinn, by Bruno Paul, is designed not only with reference to its own space content but also to stand out in the street. The store is in Gelsenkirchen, a smoky mining town. This facade, being entirely of glass



and metal, mirrors the lights of the streets and stands out at night without need for internal lighting.

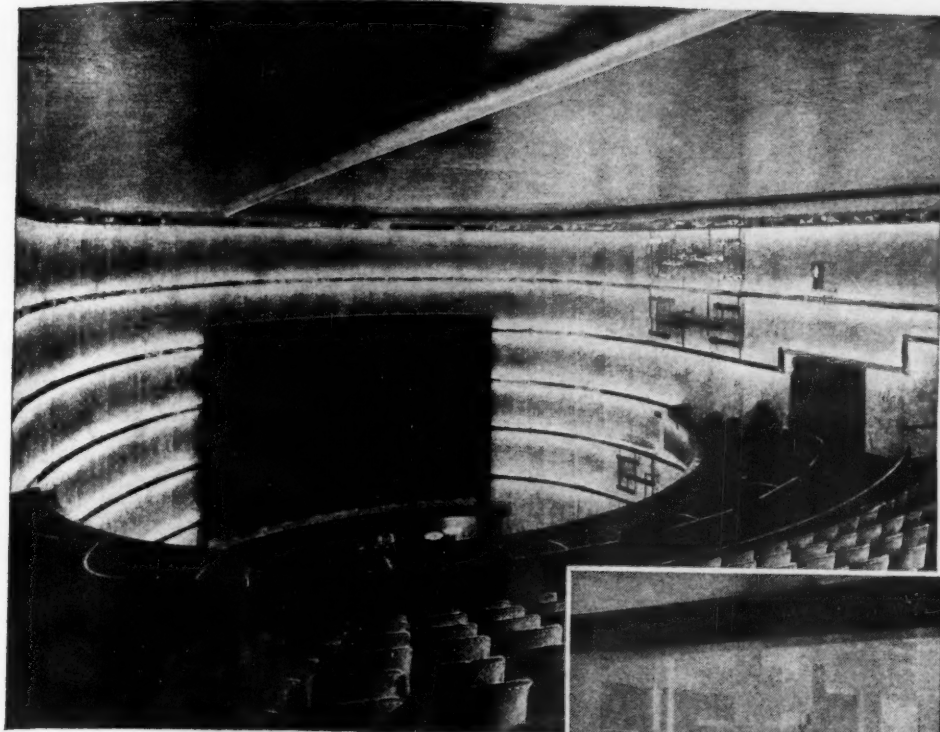
C The entrance hall for the 1928 Exposition of Glass and Metal Work in Berlin displays the fullest possibilities both for art and for industry of the new medium of opaque glass. Walls, floor and ceiling are of this material. It is peculiarly suited to the shop for optical instruments as emphasizing and continuing the character of the goods. As it demands no additional ornamentation except the light which is necessary in any case, it gives a restful atmosphere.

D Suitability to atmosphere is seen in the illuminated

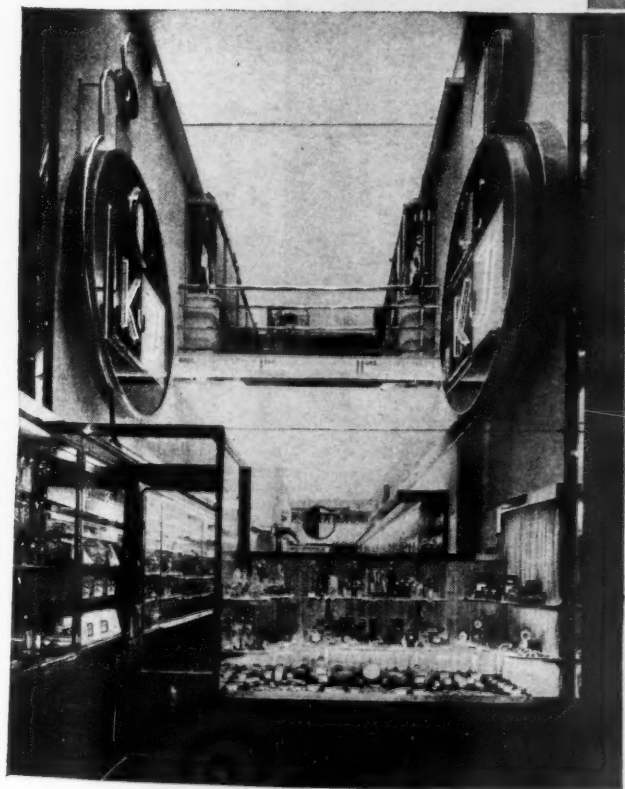
pillar in the garden restaurant of the Haus Gourmenia, Berlin. It is an enclosed garden entirely roofed in glass. The light comes from the ceiling in an adaptation of the chandelier form, glass rods with metal tips.

An interesting feature is the utilization for decorative purposes of the steel column which supports the roof. The structural necessity is frankly admitted and then adapted. Rods of glass are placed around the pillar which stands in a pool of water and, bent over and recessed, ingeniously suggests an exotic plant. Curved metal rods pour water into glass cups.

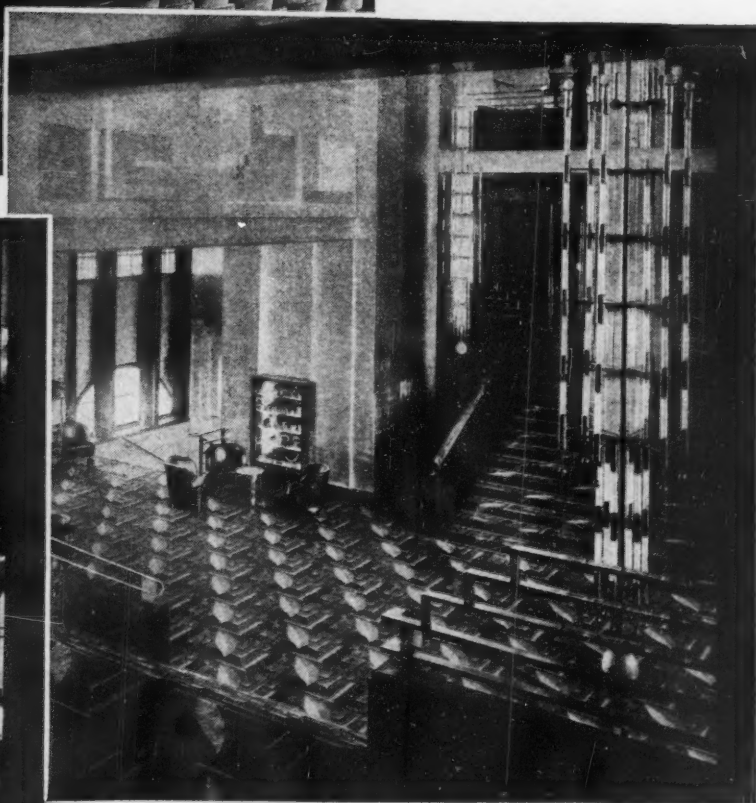
E The Decorative Artist, designing a room or a building.



E



F



G

regards illumination as a factor which may often determine the rest of the plan. In the motion picture theater, *Kammerlichtspiele* in Berlin, the lighting is an integral part of the structure. There is no direct lighting. The room is oval and the wall facing the audience is covered with metal plates in front of which are small concealed balconies holding the lights which are reflected up and onto the plates and thence outwards. The lines of the balconies radiate from the stage so that attention is directed to that center.

F Kopp and Joseph's perfume shop is a small but important shop in Berlin. As it caters in a luxury article for the highest class it must make its display in an esthetically satis-

factory style. This is done by using materials which make the most display and occupy the least space—metal, glass and lighting.

The front of the shop is glass, allowing the internal lighting to shine out and making a display of the whole shop.

G Another example of lighting and architecture, mutually dependent on each other is the mezzanine of the *Haus Vaterland*, in Berlin, the largest restaurant in the world.

The chandelier is of tubular frosted glass relieved by metal bands which reflect the light and harmonize with the rails of the balustrade. The lines of illumination carry the eye upward to the balconies.



HORYDCZAK, WASHINGTON

"If a lot of wholesalers and manufacturers had their way my business soon would be in the hands of the sheriff"

If I Gave Way to Overselling—

By JOHN T. JENKINS

Retail Grocer, Washington, D. C.

FOR NEARLY 25 years I've been a retail grocer. My business is located on Q Street near 30th Street, N. W., in Washington, D. C., and several years ago I bought the store I occupy. I guess I've been somewhat more successful than the average independent retail grocer, and I expect to remain in business many years longer. If a lot of food manufacturers and wholesalers had their way, however, my business would be in the hands of the sheriff in six months.

It took me several years to learn how

to retail groceries, and ever since then the practices of manufacturers and wholesalers that tend to kill off their business and mine have amazed me.

They hurt their best customers

IF THE trade papers tell the truth, the manufacturers would be up against it if they had to sell all of their production through chain stores, and the wholesalers would all go out of business if the retailers went to the wall. So you would think that both manufacturers and

wholesalers would do everything possible to assist us in building up our retail businesses. The facts, however, reveal a different story.

As an example, the other day one of Colgate and Company's men spent an hour or more in my store, handing me a line of selling talk every time the store was clear of customers. He first offered me a deal on Palmolive Soap—one-half case free with a five-case order. I told him that I never bought free deals, and that I did not find it profitable to buy direct from manufacturers. He

argued that I was all wrong, and then offered me another deal—seven cases of soap with a case of powder free.

Although I assured this salesman that I had learned at considerable cost that free deals lose money, and that if I accepted either of his offers I would have enough of his goods to last many months, he persisted and did his best to follow his company's instructions. His sole purpose was to sell orders, regardless of how much I lost on the goods, and there is a large flock of salesmen like him. Although mine is a typical neighborhood store, several blocks from a shopping center, I have had as many as 14 calls from manufacturers' specialty salesmen in a single day.

The reason I do not buy free deals is simple and logical. When I went into the grocery business I thought my success depended on buying cheaply, and I frequently overbought in order to get a little better price. After four or five

years I had made just a fair living and was about where I started. That wasn't my idea of what my business should be, for I was selling a good volume and giving first-class service.

So I began to study my business, and one day I read an article in a trade magazine that put me on the right track. This article pointed out that

retail grocers were losing money by duplicating their lines and buying in too large quantities. It was the first explanation of profit from turnover I had read. It gave some of the details of an inventory of a typical store and mentioned, among other duplications, six different brands of corn.

Next morning I found that I, too,

"The ground on which my store is built is worth about \$5 a square foot. It is too valuable to use as a warehouse"



HORYDCZAK, WASHINGTON

"My customers are sick of couponing. The Crisco people recently left coupons throughout my section, but only two were brought back to my store"

had six brands of corn, also about ten kinds of toilet soap, four or five brands of baking powder, and similar duplications from one end of the store to the other. I at once began to cut them out. During the next few days I did a lot of sampling, and I retained the best brands of canned goods and the best sellers in everything else. I also figured out a plan of buying that would give me a profitable turnover on everything but a few accommodation items.

Made a profit then

THE following year showed me a profit above my living expenses, and I've been making money ever since. I've proved in my own business that buying free deals costs me considerably more than the profit on them. During six months I sell about six cases of Palmolive Soap and make a little money on them, although toilet soap is not a good item with me. If I buy five and a half cases at one time, I have to carry the stock nearly six months, and I estimate that I lose nearly two cents on every cake in doing so. To sell that free deal on a turnover fast enough to show a profit, a grocer would have to do a business of six times my volume—and about one in 5,000 is doing such a volume.

This means, apparently, that manufacturers who attempt to force sales with free deals, by promises of profits that retailers cannot realize, are willing to have those retailers lose money in order that the manufacturers may temporarily increase their volume. They are building their business on a fallacy. By causing losses to the retailers they are tending to close necessary outlets for their goods, and to the extent that they sell free deals they are killing their own businesses. I can't see the proposition any other way.

Selling retail grocers direct on quantity bases has the same tendency. My store is only a one-story structure, and the ground on which it is built is worth about \$5 a square foot. It is too valuable to use as a warehouse or as a wholesale house.

To make money for me, my goods must flow through my store as rapidly as possible. For this reason the wholesaler is my natural and most profitable source of supply. I have proved this fact beyond doubt; but hardly a day passes that some manufacturer does not offer to sell me direct.

He wants me to warehouse his goods and go into the wholesale business with only one customer, as I see it, regardless of the fact that regular wholesalers

can carry surplus stock much cheaper than I can.

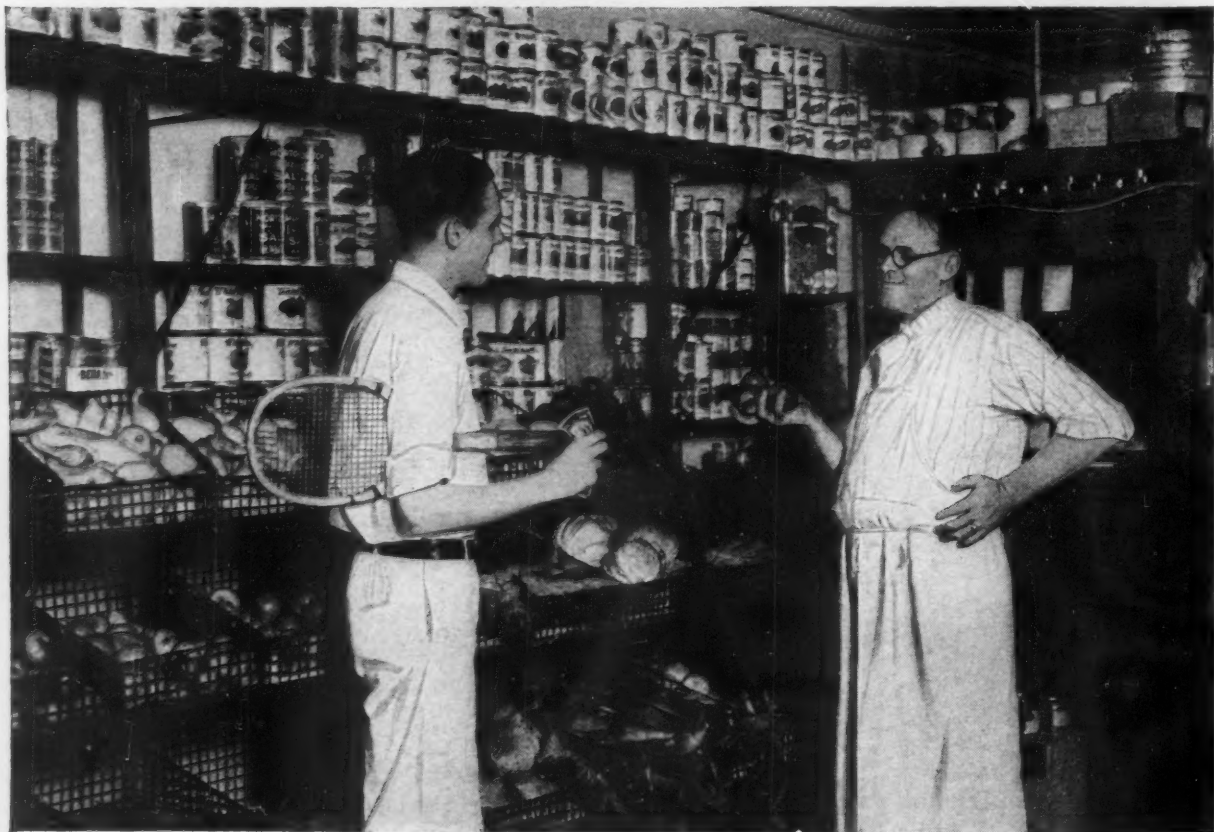
This practice is as detrimental to the manufacturers' business as it is to mine. I could mention a number of manufacturers whose goods have passed out of this market because they tried to make wholesalers out of retailers. A typical example is the Beechnut goods, as far as my business is concerned. I used to handle a great many of them. My customers liked them, and for years I ordered them regularly from wholesalers.

Then the company began skimming the cream from the distribution by offering retailers slight concessions to buy direct shipments. Because of this our wholesalers found the line unprofitable and discontinued it. For a time I bought direct shipments; but I found the practice inconvenient and expensive.

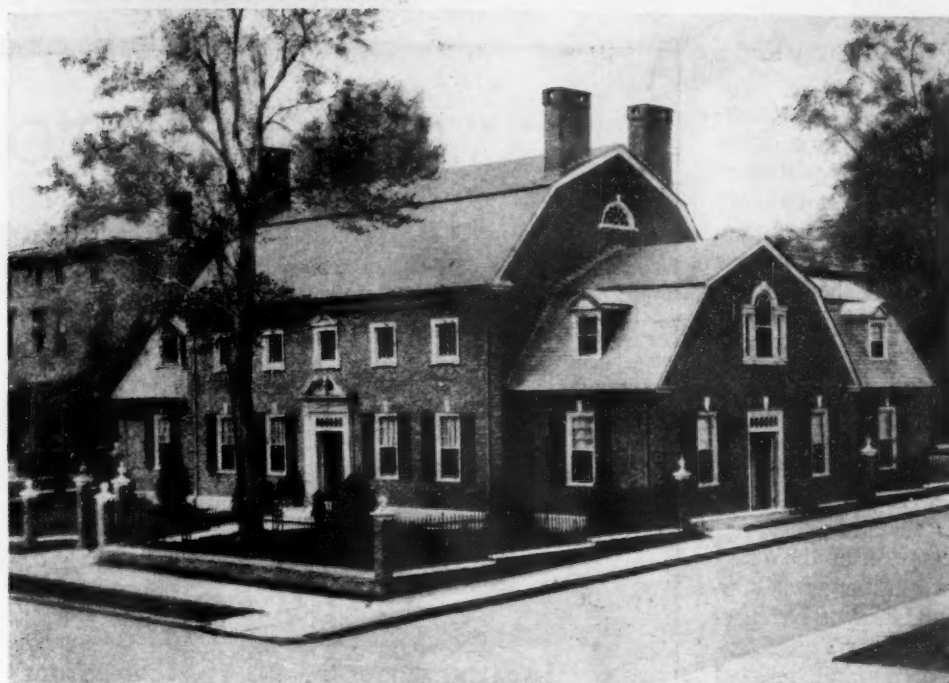
A too expensive method

THE Beechnut salesman called on me the other day, the first time since last September. To handle the goods I would have to buy six cases, and while I easily could use the quantity, the direct shipments would disturb the flow of my business. I would have to make an exception of Beechnut goods, and wait

(Continued on page 220)



"Many retailers like myself have proved that we can survive in the face of mass competition because we serve a large part of the public the way it wants to be served"



COURTESY BANKERS TRUST CO., HARTFORD, CONN.

A note of the past and an augury of the future are combined in this modern bank

Banks and Bankers of Tomorrow

By MERRYLE STANLEY RUKEYSER

BANKING, the sedate rock of the ages to which dynamic business was wont to anchor, is now itself in the midst of a process of radical transformation.

Functionally, American banks are becoming increasingly unspecialized. Instead of continuing to concentrate on the old-fashioned job of financing short-term trade transactions, and accepting deposits, national and state banks and trust companies have become department stores of finance. They offer not only loan and deposit facilities to business firms, but also seek to minister to the entire circle of financial wants of the individual and the corporation. Nowadays, nothing with a dollar sign is alien to the progressive banks. Meantime, structurally, banks are changing from small units of comparatively slender resources to financial groups of giant proportions. Through mergers, absorptions, alliances, and natural growth the banks are undertaking



COURTESY PEOPLE'S STATE BANK, HOLLAND, MICH.

A SYMBOL of the new attitude of forward-looking banks and bankers is the removal of the bars from before the tellers' windows. Equally decided are the changes in policy that are taking place, changes that point to new roles and functions for future banks

to keep step with business, which is gravitating to an increasing extent to the large and efficient corporations.

What will the bank of the future be like? The only sure answer is that it will be unlike the conventional bank of the past. It will be more progressive and imaginative. It will be predicated on the notion that change is the most insistent law of life, and that the only thing that the executive can count on is that conditions will be different. Charles S. McCain, new president of the enlarged Chase National Bank of New York, who believes that bank mergers hinge chiefly on executive man power, has said that formerly the banker could predict with reasonable certainty the nature of the operations of his bank for at least a year; he knew the peaks of agricultural and commercial demand, and the rate of growth of his community. Nowadays, according to Mr. McCain, the banker never knows from day to day what is coming. Another

thoughtful banker gave the key to the new situation, saying:

"Men think of banking as a sober-sided, conservative, unchanging industry which confronts the new with fear. The fact is that there is no industry which is facing greater changes than ours in the next few years. Tremendous things are going on under the surface."

The great banks are searching for executives who can sense the trend. Sometimes they find it necessary to go outside the banking field to get executives unspoiled by the old-fashioned viewpoint. The National City Bank, the largest of all, picked Charles E. Mitchell, a bond man, for chief executive, and he has been a pace setter at the financial center not only in mergers but in extending the boundaries of commercial banking. The Guaranty Trust Company, the largest of its kind, selected William C. Potter, an engineer by profession. In elevating McCain to the presidency, the Chase, like the Chemical Bank & Trust Company, chose a Southerner. McCain came to New York from Little Rock, Ark., only three years ago. Eugene Stevens, president of the Continental Illinois Bank and Trust Company, the largest American bank west of the Hudson River, had never worked in a bank until 12 years ago. Gordon Rentschler, new president of the National City Bank, entered banking only six years ago. Before that he was in the machinery business.

New men for the new banking

FAST-CHANGING banking has been renewing its ranks with outsiders, seeking men of the same dynamic and imaginative qualities which have built up the great industries, railroads and public utilities.

It once was thought that an individual had to be long on timidity in order to succeed as a banker. Being a moss-back was a useful qualification. The reverse is now the case. The new banker must be progressive and extraordinarily well-informed. Soundness of judgment is the one old-fashioned banking quality which remains at a premium, but the new banker has learned that that is no longer synonymous with ultraconservatism.

William C. Potter, of the Guaranty, told me that the modern banker must act on surmise. He is called upon to finance transactions that lie in the future, and to support new and varied business undertakings. He can no longer judge propositions by the yardstick of what grandfather used to do.

Banking under the new regime is be-

BUSINESS FOLK IN



MAGAZINE MOGUL

Tower Publishers, Inc., headed by Hugh Weir, plan four magazines to be distributed by Woolworth



WINS STUDENTS' VOTES

Harvard Business School's 200 students name Owen D. Young as "the outstanding business man"



EIGHTY STORIES

August Heckscher, as a director of New York's new tallest skyscraper, will work with Al Smith



ANOTHER CHAIRMANSHIP

Julius Barnes, board chairman of U. S. Chamber, heads board of United Growers of America



GRATEFUL EMPLOYER

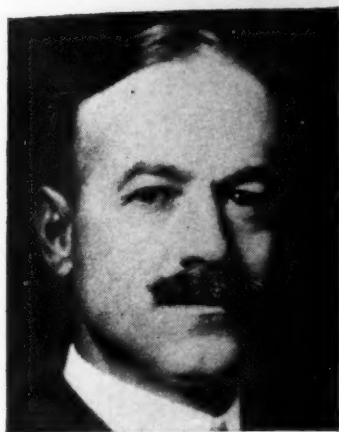
L. Bamberger, retiring head of Newark store bearing his name, gives million to his older employees



UP FROM THE RANKS

Starting banking at 15, Henry C. Von Elm at 41 now heads the Manufacturers Trust Co., New York

★ THE MONTH'S NEWS



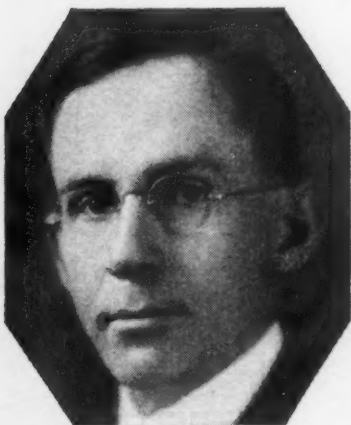
VERSATILE BUILDER
Dwight P. Robinson heads United Engineers and Constructors builders of banks, prisons or subways



HE GOES UP
Col. C. M. Young, of the Commerce Department, is promoted to assistant secretary in charge of aviation



PRINCE MADE PRESIDENT
First Bank Stock Corp., new holding firm for 37 Northwest banks, is headed by George H. Prince



APPOINTED BY LAMONT
T. W. Howard, U. S. Chamber, is named advisory committee secretary, census of manufactures



PRIZE-WINNING PROF
His double X-Ray spectrometer brings Prof. Berger Davis \$2,500 prize from Research Corporation



HE'LL BUILD AUSTINGRAD
The Austin Company, headed by W. J. Austin, contracts to build a model industrial city in Russia

coming more scientific. The irony of it is that few of the successful old-line bankers could pass an elementary collegiate course in banking. The professors have built up a great theoretical superstructure around the practices of banking. It was simpler even a decade or so ago when Jackson Reynolds, attorney and law teacher, was invited by George F. Baker to become a vice president of the First National Bank of New York. Shown to his desk, Reynolds asked Baker what he was supposed to do. Baker, cryptically summing up a lifetime of rich experience, instructed him:

"Just don't do anything unreasonable."

The formula was fruitful, for in six years Reynolds became president of the bank.

Vanderlip set new fashions

LIKEWISE, when the elder James Stillman summoned Frank A. Vanderlip from the assistant secretaryship of the Treasury at Washington to become vice president of the National City Bank of New York without portfolio, he let him shift for himself. No special duties were assigned to Vanderlip. Having no routine, he began to think of useful new activities for a bank. He was the first significant exponent of the new era of banking. One of his first novel thoughts was that the banker could be human. Vanderlip inaugurated the vogue for monthly bank letters. He set the fashion of educational courses for bank clerks. He was the first to vision a world-wide system of branches, which would be ready to render any useful service to customers.

Now that the idea has dawned upon leaders that banking can and must change, there is no limit to the alterations that may come. Under the surface there is a great conflict between the modern economic demands on banks and the political preconceptions which still determine the banking laws. The natural evolution of nation-wide chains of branch banks, which would parallel the activities of national manufacturers and distributors of merchandise, is forbidden by law. Congress still respects the ancient tradition that America has been built up by independent unit banks. It still pays homage to the prejudices against Wall-Street domination.

Prof. Joseph Stagg Lawrence, of Princeton University, in his book "Wall Street and Washington," suggests that the financial district free itself from the alleged provincialism of the Federal
(Continued on page 154)

The Map of the Nation's Business

By FRANK GREENE

Managing Editor, Bradstreet's

BUSINESS INDICATORS

Latest month of 1929 and the same month of 1928 and 1927 compared with the same month of 1926

THERE seems to be no doubt in anyone's mind that the country's business has passed through an extraordinarily active summer with but little of that slackening of industry and dulling of trade once expected when hot weather arrived.

Little slackening

THIS was especially true of the heavy industries, iron, steel, automobile, farm implements, machine tools and so on, all of which operated their plants right up to the beginning of fall at the highest levels for the season on record. The lighter industries maintained a fairly high pace, although some, such as cotton goods manufacturing, felt it necessary to curtail production somewhat to avoid piling up excessive stocks.

As fall drew near, however, the textiles and other light industries were observed to be generally increasing their operating schedules, whereas the heavy industries reduced their activities somewhat.

Distribution at wholesale and retail ran well ahead of a year ago, as was evidenced by the gains in mail-order and chain-store sales and the record movement of revenue freight on the railroads.

Despite generally higher rates for call and time loans, stock-market speculation continued to be very active in August and the share price averages

Production and Mill Consumption	Latest Month Available	Same Month 1929	1928	1926 = 100%
Pig Iron	August	117	98	92
Steel Ingots	August	119	101	85
Copper—Mine (U. S.)	August	110	107	93
Zinc—Primary	August	107	101	95
Coal—Bituminous	August*	93	86	87
Petroleum	August*	136	116	118
Electrical Energy	July	134	122	111
Cotton Consumption	August*	115	101	121
Automobiles	August*	115	104	70
Rubber Tires	June	144	126	115
Cement—Portland	July	100	102	102
Construction				
Contracts Awarded—36 States—Dollar Values	August	79	84	90
Contracts Awarded—36 States—Square Feet	August	85	101	93
Labor				
Factory Employment (U. S.)—F. R. B.	July	101	95	97
Factory Pay Roll (U. S.)—F. R. B.	July	105	97	98
Wages—Per Capita (N. Y.)	July	103	101	100
Transportation				
Freight Car Loadings	August*	101	97	97
Gross Operating Revenues	July	100	92	91
Net Operating Income	July	104	81	73
Trade—Domestic				
Bank Debits—New York City	August	179	127	114
Bank Debits—Outside†	August	125	109	104
Business Failures—Number	August	111	116	107
Business Failures—Liabilities	August	120	207	139
Department Stores Sales—F. R. B.	August	107	102	107
Five and Ten Cent Store Sales—4 Chains	August	137	120	116
Mail Order House Sales—2 Houses	August	186	143	117
Wholesale Trade—F. R. B.	July	105	99	97
Trade—Foreign				
Exports	July	100	103	93
Imports	July	104	94	94
Finance				
Stock Prices—30 Industrials	August	221	137	113
Stock Prices—20 Railroads	August	151	118	119
Number of Shares Traded	August	208	140	106
Bond Prices—40 Bonds	August	97	101	103
Value of Bonds Sold	August	121	85	141
New Corporate Capital Issues—Domestic	August	388	164	186
Interest Rates—Commercial Paper, 4-6 Months	August	143	127	92
Wholesale Prices				
U. S. Bureau of Labor Statistics	July	98	99	95
Bradstreet's	August	100	105	102
Dun's	August	103	104	101
Retail Purchasing Power, July 1914=100%				
Purchasing Power of the Retail Dollar	1929	62	62	62
Purchasing Power of the Clothing Dollar	1928	60	58	59
Purchasing Power of the Food Dollar	1927	63	65	65
Purchasing Power of the Rent Dollar	1926	63	62	60

* Preliminary.
† Excl. Boston, Cleveland, Chicago, Los Angeles, Philadelphia, Detroit, San Francisco, and New York.
Prepared for Nation's Business by General Statistical Division, Western Electric Company.

rose to new peaks. Regarding this matter of averages, however, it has been pointed out that, although they have made heavy gains since the first of the year, a majority of stocks have actually declined since January 1.

This activity found reflection in record bank clearings and bank debits, with nearly four-fifths of the reporting cities participating in the increases. Brokers' loans continued to set new records week after week. Bond sales were the largest for the month since 1924 but, except for certain convertible issues

of prosperous corporations, prices showed a slight but steady seepage.

August business failures were the smallest for that month since 1925, as were the attendant liabilities.

With industry, trade and finance all reaching new peaks of activity it might appear that August brought nothing but good news, but this was not the case.

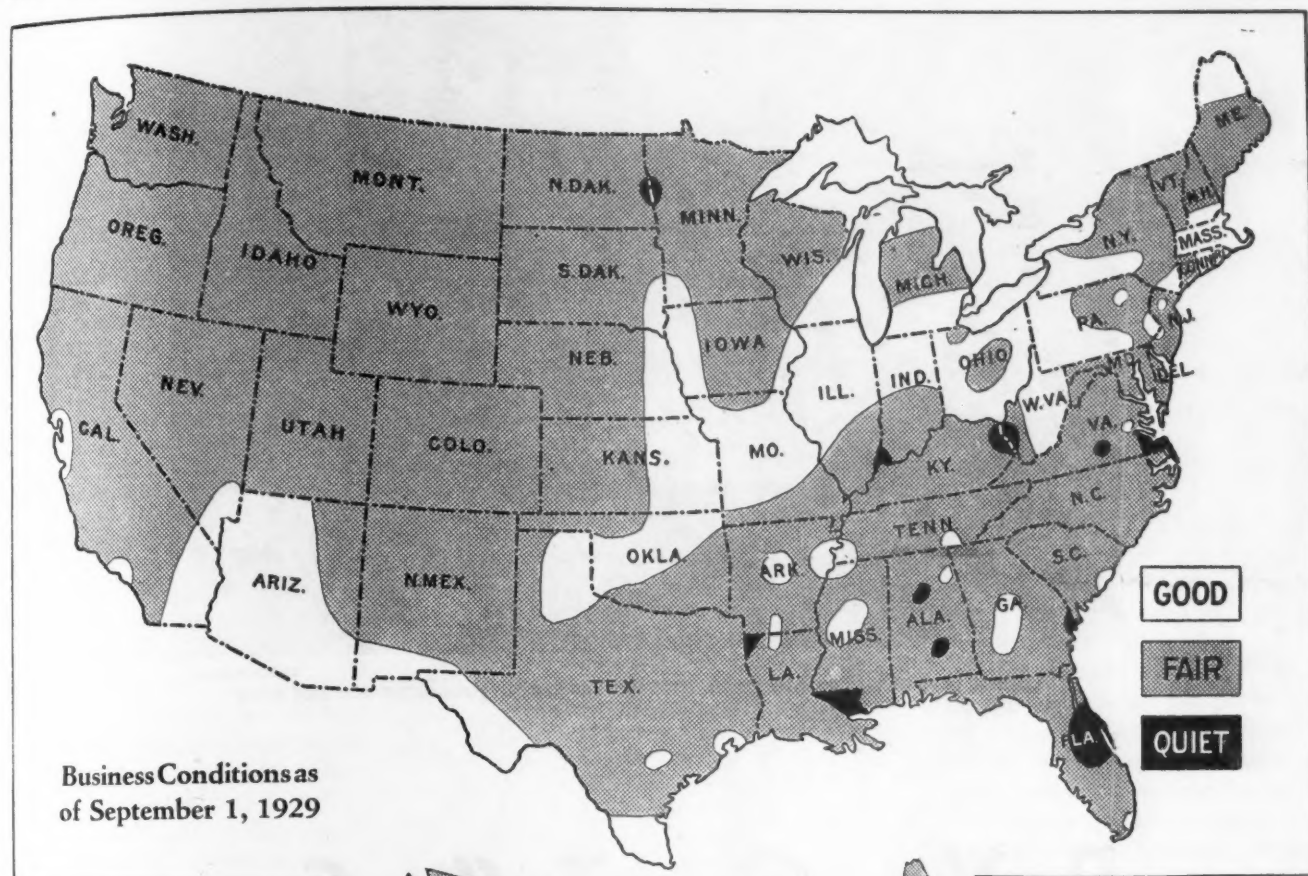
Dry weather hurts

CROPS suffered badly from lack of rain in nearly every area except the Southeast. Dry, baked soil hampered farmers in plowing for winter seeding, hydroelectric plants reduced their output—this, incidentally, benefiting the coal trade to some extent—and many cities, especially in the East, complained of actual or impending shortages of drinking water.

Corn and other coarse grains suffered severely

from drought during August and indications were that yields of those cereals would be much smaller than a year ago or than estimates in the earlier summer months seemed to show.

The apparent decline in quantity was accompanied in the case of corn by a falling off in the quality of much of the crop, and many farmers may find their year's returns much reduced. Of course, prices of grains were much above the level of a year ago and higher than in the first part of the present year, but it was a question whether the increase in



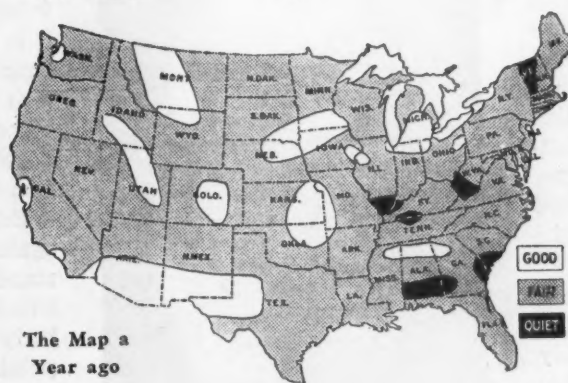
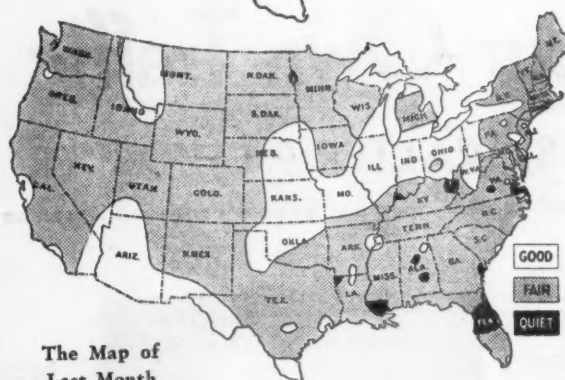
price had been sufficient to offset the declines in quantity in some crops.

Cotton price rises

THE cotton crop deteriorated heavily in the western half of the belt, particularly in Texas, but in the eastern section, conditions were much better than a year ago, or two years ago, when excessive rains and storms damaged cotton, tobacco and other cash crops. The price of cotton showed improvement during August and rose at times above the level of a year ago. The indicated decline in the size of the crops, the generally good outlook for fall trade in this country and the settlement of the British cotton-mill strike materially aided this improvement.

Burley tobacco yields were reduced by heat and dry weather and the crop will probably be smaller than a year ago, but with prices higher. Cigaret tobacco in the South Atlantic states did well and brought high prices.

Potato prices rose with quo-



CHANGES in the map this month reflect largely the influence of hot weather and drought on crop conditions. There is some shading of the map in the corn belt west of the Mississippi and some lightening in the Southeast. It will be noted that the "quiet" area, as a whole, is unusually small. There seems to be no doubt in anyone's mind that the summer has been an unusually active one with little slackening in industry or in trade

tations at most shipping points two to three times as high as a year ago. Growers seem certain to do much better financially, despite the much smaller crop. Wheat prices apparently advanced sufficiently during the summer to counterbalance the reduction in yields. Heavy decline in the Canadian crops aided this advance.

One effect of the reduction in crop yields may be a decline in railroad tonnage, both as regards the hauling of crops and the transportation of goods bought with the proceeds of agricultural commodities.

Higher railroad earnings

FREIGHT ton-miles for the first half of the year showed a gain of 6.5 per cent over the like period of 1928, while gross and net railway earnings for the seven months ended with July showed increases of 5.7 per cent and 24.9 per cent, respectively. These percentages of gain may be shaded somewhat

(Continued on page 116)



"August in Town," an old print that proves traffic problems are not new

Be Your Own Traffic Cop

By WALTER P. CHRYSLER

President and Chairman of the Board, Chrysler Corporation

TRAFFIC congestion is no longer a national or state problem. Both state and nation have made notable advances in building and connecting highways. Future projects indicate a growing appreciation of the importance of new arteries of commerce which, it is reasonable to assume, will give the United States a national highway system second to none in the world.

Counties, cities and communities are vigorously attempting to tie into the great scheme. Local governments, ably supported by civic organizations, are spending time and money trying to solve the problem of congestion.

Since the problem continues to exist in the face of all these efforts it seems probable that we have been attacking it from the wrong angle. As individuals we have looked upon it as a job for communities. Our greatest personal contribution to its solution has been to ask the other fellow what he thought he was doing when he backed into our car. Traffic congestion and its solution have



WALTER P. CHRYSLER

"I AM convinced that traffic problems are only possible of solution by the full cooperation of individuals"

been universally regarded as the other fellow's job.

It seems to me this is wrong. It has been written that "Everybody's business is nobody's business." I am convinced that traffic problems are only possible of solution by the full cooperation of individuals.

But if individuals are to cooperate against an economic ill they must understand the exact nature of the malady for which they seek the remedy. So far nobody has taken much interest in that point. Writers, spellbinders and others have such a phobia on the subject of traffic congestion that little or no effort has been made to analyze traffic *per se*.

Such an examination reveals immediately that the problem is not new. Old prints show that comparable conditions prevailed in London and Paris streets many generations ago.

A Biblical prophecy in the Book of Nahum, chapter 2, verse 4, indicates that as long ago as 713 B. C. traffic conditions such as we find in city streets

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The Building Trades Awake

By A. E. FOUNTAIN, Jr.

Managing Director, Division of Architecture
and Building, Lyddon Hanford & Kimball, Inc.

THE world's second oldest industry, rudely routed out of its bed of tradition and complacency, stands shivering on the cold floor of progress wondering what it is to do about the new day's business. Its job is to manufacture and distribute the materials for more than eight billion dollars' worth of buildings within a year, and with the help of more than two million people (including seven woman stone masons and 171 woman carpenters, according to the latest United States census) get the job done more efficiently, economically and more in harmony with the modern tempo than it has ever been done before.

Poked and prodded into a new consciousness by the demands of modern life, the manufacturing side of that shambling giant, America's Building Industry, finds it necessary to take unto itself new methods of procedure.

If it seems strange to you that the industry that has given us our giant skyscrapers, beautiful churches, theaters and hospitals, finds it first necessary and then difficult to revamp its methods and change its pace, first look into the necessity created by the ever-increasing costs of construction. In spite of the skill of architects and building planners, the use of simpler materials, substitute materials

DECORATIONS BY
WALTER TEAGUE

and large-scale production, costs are being driven inevitably upward by unscientific manufacturing, merchandising and selling and by the demands of labor.

Then consider the difficulty caused by the history of the industry. Ages old, following practices handed down from generation to generation, exacting in its demands for precision, it has become an enterprise in which new methods and processes can be adopted only after repeated cautious trials, because one small error may be fatal to the completed work.

Linked with the past

UNLIKE other industries that have grown up within the past few decades depending on flexible modern methods, the building industry is rooted in tradition.

The building industry has been so much a part of our everyday life, so prosaic in its procedure, so local in its practice that it has not attracted the pioneering mind, or when it has, its conservatism and reticence are deep-seated enough to blunt any enthusiasm. Other industries have created a need and grown fat by catering to it. Perhaps the building industry has been so busy catering to an already existing demand that it has had little time to create new markets. Building is



as necessary as food. No matter what the cost, the demand will always exist. Conceivably, the industry might pursue its old methods and still supply the demand. But as building demands increase, adding billion to billion in each year's requirements, the individual businesses, forced into national selling through the necessity of finding new markets, are confronted with problems that demand modern scientific methods of production, market analysis, merchandising, selling and advertising.

Perhaps the greatest obstacle now confronting the industry is unscientific production. This refers not only to the actual producing units but to the market analysts that set the production schedules. In many of the older branches of the industry such as iron, tile, hardware, millwork and natural stones, a large proportion of the individual businesses is buried under antiquated machinery and plant methods that simply do not allow profitable production.

Even if production were scientifically scheduled and styled for the market, which in a majority of cases it is not, these plants could not compete either with the more modern plants in the field or with the great floods of substitute materials offered against them.

After putting its production in order,

this industry must then become fully awake to the new and changed market that has grown up around it. The consuming public of building material has, within the past decade, undergone an intensive education and has arrived at a point where it not only knows a lot about materials, their uses and their worth, but has its mind well made up as to what it needs and what it wants, and will buy where it can get it.

For years this public has been sold better buildings from every angle. Little of this selling has been done by the building industry itself. Years ago, magazines started crusades for better and more beautiful homes. The business press has poured into the executive mind the advantages of better planning and construction; wide-awake architects, developers and builders have created better results.

A few concerns keep up

AUTOMOBILE travel has made people visibly conscious of the possibilities that come through a better knowledge of design and materials. Here and there certain manufacturing companies, headed by merchandisers rather than manufacturers, have revamped their methods, redesigned and restyled their lines and,

backed by consistent advertising, have carried their story to a receptive market with most profitable results.

When the manufacturer of a building product begins to study his consuming public he faces his greatest difficulty, because, though usually a good manufacturer, he is an extraordinarily poor merchant. To appreciate why this is so, it is necessary to go back 40 or 50 years in the history of American building.

At that time all the basic materials—stone, wood, iron and clay—were in everyday use and enjoyed a constant demand. Substitute materials were little known. Architectural design and the needs of industry were undergoing their usual changes, and manufacturers were supplying their needs. But building was a purely local operation. Wherever populations had sprung up the production of material had clustered about that center, intent on supplying its needs. Transportation was too costly to have it otherwise, travel too slow.

Climate and sectional customs helped establish this local outlook. Manufacturers of building materials quite naturally bent their efforts toward producing such things as would most nearly fit the requirements of their known market.

As these local markets grew, local building labor also adjusted itself and fortified itself with habits, customs and laws best adapted to its environment. With this came local building laws, peculiar to the location. So, taking a bird's-eye view of the whole country of 30 years ago, we see scattered across the land—a great many separate self-contained little building industries, all related as to basic efforts and ideals, but independent, almost isolated, so far as their daily practice was concerned.

Precise and cautious

AT THE supplying end we find a group of men whose heritage and precedent has grown deep-rooted in the dim past of antiquity. The building mind works precisely and cautiously, leaning heavily on the past and taking nothing for granted as to the future.

All this means that today, when the manufacturer finds himself rudely forced into a national outlook because the spread of population has made purely local markets almost impossible to define and is confronted with the necessity of adapting himself and his product to a nation's needs, he faces a most amazing and complex situa-

Many building men are so behind the styles they don't even show good taste



tion. Most of us build but once and that once must not only meet our needs but our ideals. Few of us have the same needs or ideals. Thus, when the awakened manufacturer begins to study the national market, he finds groups of individuals requiring widely different materials, designs and prices.

Even climate plays a part

HE WILL find widely divergent standards of life influenced by ancestry, climate, topography of country and business. As extreme instances of this, note the customs of using stone and brick structures with slate roofs in Pennsylvania, Maryland and Delaware; and stucco with tile roofs in California. Throughout the country we have great differences in the hardness of our drinking water, necessitating corresponding differences in plumbing equipment. Quite obviously, heating equipment designed for Michigan would not be economical in Florida or Louisiana. We will find large cities demanding fireproof materials, and small communities not able to pay for them. We will find that in sections where wealth has come quickly, price is no factor, and where wealth is dwindling no market at all.

Local health and tenement laws vary widely, as do building laws. Recently in the city of Hartford, a public contract that had to be awarded to the lowest bidder went to a Massachusetts company simply because the bond rate in Massachusetts is one per cent as against one and one-half per cent in Connecticut. Only a few years ago, various divisions of the industry came under government scrutiny, several of them standing trial, accused of cooperative effort to stifle competition and maintain prices. While there was undoubtedly some ground for the accusation, it was established that geographical limitations and freight rates had much to do with what appeared to be restriction of competition.

Labor also adds to the apparent confusion in the manufacturer's study of his markets. If any manufacturer's survey of the labor market can make head or tail of it, then the surveyor should have a medal of honor for his discovery, for apparently no man has as yet been able to do more than guess at what it's all about. In our cities where unionism is strong, it is always hard to forecast beyond a few months what may happen in the way of labor demands. In rural sections

labor is likely to be so scarce that without demands of any kind it receives as much if not more than unionized city labor.

Changing style is another problem for the building mind. Style is certainly an important consideration in the mind of the consumer, particularly as applied to the more decorative products. Yet it is quite apparent that many of our large manufacturers have not yet arrived at the point where, left to their own initiative, they even display good taste, much less the ability to follow or forecast style trends.

Although building materials can hardly be classed as general merchandise, manufacturers would do well to tear a leaf from the book of experience of producers of materials sold at retail, and employ competent style counsel to help them follow the demands of a critical public.

You may never have noticed that styles in building change, but it is clear that they do. Every one can remember a few years ago when pebble-dash stucco was a vogue; and how a few years ago paint was the thing for interior walls until wall paper started to fight its way back into popular favor.

Twenty years ago reinforced concrete jumped into well-deserved favor, with

steel and wood the losers. What materials so-called modern architecture will demand no man can foretell. We also find an increasing use of brick in city construction because of its economy and adaptability to modern design.

Quite naturally, styles in some materials never change, but a wide-awake producer of these materials can watch the styles in materials that do change and revamp his product accordingly. But let no man rest secure in the belief that his product is free from change, for we are just at the dawn of the substitute age in building materials.

And then comes distribution

MANY manufacturers with a farsightedness akin to genius, having pulled themselves out of the quicksands of production with materials in every way adapted to the new market, find themselves enveloped in the dense fog of distribution. If it is a problem to manufacture for today's building market at a profit, it is a greater one to distribute it. The fatalities occasioned by distribution are far greater than those occasioned by production.

With well made and properly priced and styled materials, and with a known
(Continued on page 150)

A few builders have restyled both their lines and their methods with resultant profits





Adventurers·Inc



By Berton Braley

DECORATION BY DUNN

WHEN Jason set out in the Argo,
Adventure had lured him to sail;
But merchants with vendable cargo
Were presently close on his trail.
They set up in trade where he landed,
They stayed, after Jason had gone,
And when Jason's crew was disbanded,
The business men calmly went on.

Ulysses sailed over the planet
And wondrous indeed was his course.
But after him, once he began it,
The merchantmen followed in force.
Ulysses is lauded in ditties,
The merchants are not widely known,
But *they* builded opulent cities
Where *he* had left deserts unsown.

Columbus sailed westward to find him
A route for the Orient trade.
The merchants came sailing behind him
And look at the empire they made!
Let logothetes mock it and scoff it
Despite all the snarls and the sneers,
It's Business conducted for profit
That holds and extends the frontiers.

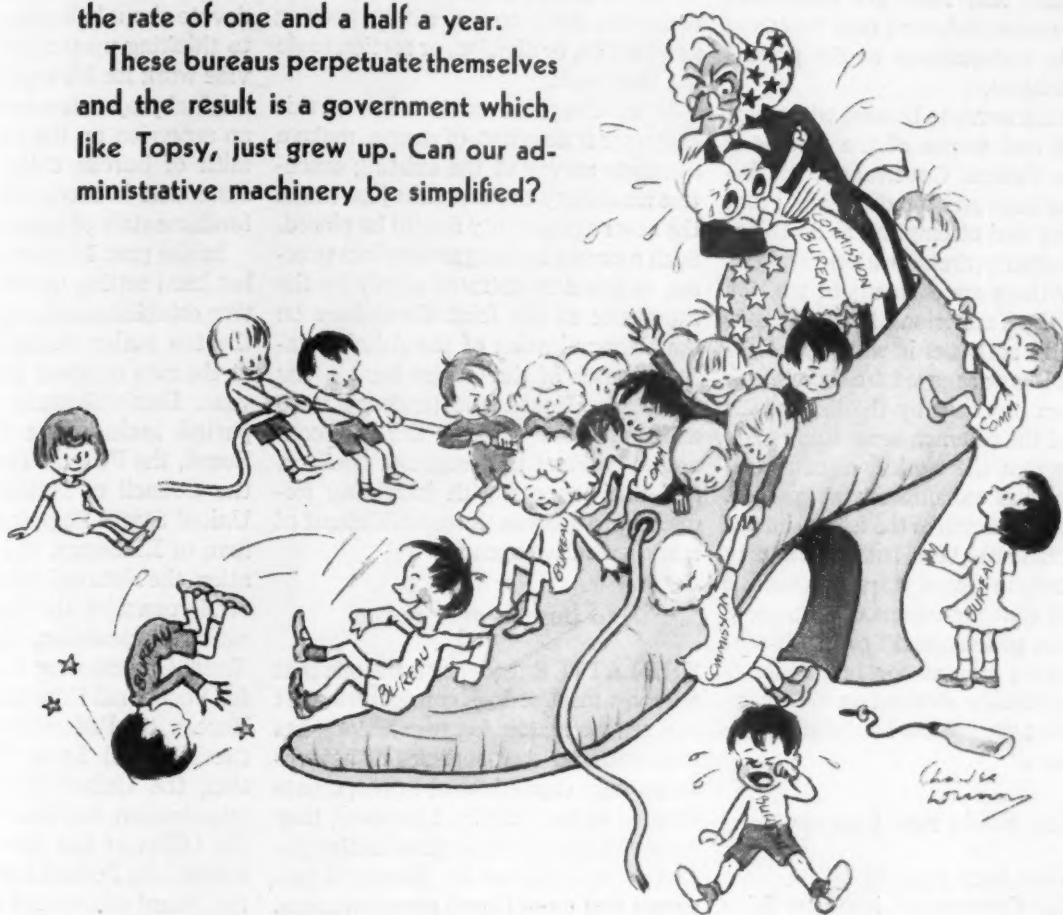
It's business that cleans out the jungles,
It's business that bridges the streams,
It's business—in spite of its bumbles—
That somehow achieves us our dreams.
It's business, confounding the scholar,
And planning how trade may increase,
That makes of the chase of the dollar
An epic of progress and peace.

So Babbitt indents his indentures
And dopes out his chances with Chance,
And daily and hourly outventures
The mightiest knights of Romance!



FOR 16 years the Government has been adding independent establishments at the rate of one and a half a year.

These bureaus perpetuate themselves and the result is a government which, like Topsy, just grew up. Can our administrative machinery be simplified?



Bureaus and More Bureaus

By REED SMOOT

United States Senator from Utah

CARTOONS BY CHARLES DUNN

ANY organization which spends \$4,500,000,000 annually is under an obligation—to itself if to no one else—to make its expenditures in the most economical and efficient manner possible. When that organization happens to be a government formed to serve a great people and when the money it spends comes from taxes paid by the people, that obligation becomes imperative.

Organizations which are highly successful, like the Federal Government, frequently find that they have grown so fast they have become awkward. Every

one, at one time or another, has been amused by the antics of some adolescent whose hands and feet seem to have outgrown his faculties of control. It is not a serious situation, in the case of the individual youth, for every one knows that the youngster's own personal administrative machinery soon will catch up with his ungainly limbs and he will regain a proper degree of control.

Man makes the governments

BUT governments, like all human organizations, do not grow according to the all-wise laws of nature; they grow

according to the laws of man. Since man is not infallible nor gifted with prophecy the organizations he sets up usually need overhauling from time to time to accommodate them to conditions unforeseen at the time of their establishment.

The executive branch of the Government of the United States just now offers a striking example of this. The need for a reorganization of the executive agencies of the Government has been recognized for many years. It became particularly apparent just after the World War and some progress was made toward solution of the problem

during the Harding administration. The major part of the work, however, is still to be done and there are indications that its accomplishment may be one of the early undertakings of the present administration.

There are some, to be sure, who assert that the real source of the trouble is that the Federal Government has become too large and too diversified; that it is doing and attempting to do things which, properly, are not within its sphere. Possibly there are elements of truth in some of these assertions. But be that as it may, the activities in which the Government is now engaged are those which have been ordained by the laws of the land, and the common-sense thing to do is to see that the work is done as efficiently and as economically as possible.

While the growth of the federal executive machine has been truly astounding particularly in recent years, it is not the extent of that increase nor the present size of the governmental establishment which offers reasons for real concern. The unfortunate element in the situation is that the growth has been largely amorphous.

New fields, new bureaus

LAWS have been enacted by the score to put the Government into new fields of activities. For present purposes, at least, let it be assumed that all of the motives involved have been entirely worthy and that all of the new fields of activity have been quite proper for the Federal Government.

The point is that each new law of this character almost inevitably brings into existence a new executive agency to administer its provisions.

Even when the task is entrusted to one of the existing departments or bureaus, it means that that department or bureau must create, within itself, a new bureau, or division, or section to do the new work.

When Congress enacts a law of this character it does not, of course, make a complete survey of the existing executive machinery to determine just where the new responsibility should be placed. Such a survey is a long and tedious process, as was demonstrated amply by the experience of the Joint Committee on the Reorganization of the Government a few years ago. Hence, the tendency is to assign the new work to the first convenient agency that suggests itself or, and this happens with increasing frequency, to propose the establishment of a new executive agency.

No bureau ever ceases

THE LATTER tendency is the one that deserves most serious consideration. It is a serious matter because history has demonstrated that agencies of government, once created, tend to perpetuate themselves indefinitely. Moreover, they grow and constantly demand authorization from Congress for increased personnel and more liberal appropriations.

If a government department or bureau should ever report to Congress that its jurisdiction should be curtailed or that it had fulfilled the purpose for which it was created and should be abolished, undoubtedly there would be a demand for an investigation to ascertain what was wrong.

It has often been said, facetiously but not altogether falsely, that as soon

as a man is placed at the head of a new bureau and directed to do a specific piece of work he immediately begins to devote about half of his time and energy to thinking up projects which can provide work for his organization after the original project is completed. This is not an aspersion on the patriotism or good faith of bureau chiefs, it is merely a statement in recognition of one of the fundamentals of human nature.

In the past 16 years the Government has been setting up independent executive establishments, entirely outside of the ten major executive departments, at the rate of about one and a half per year. Establishments created in this period include the Federal Reserve Board, the Federal Trade Commission, the Council of National Defense, the United States Shipping Board, the Bureau of Efficiency, the Board of Mediation, the National Advisory Committee on Aeronautics, the Employees Compensation Commission, the United States Tariff Commission, the Federal Board for Vocational Education, the Veterans' Bureau, the Federal Radio Commission, the National Screw Thread Commission, the United States Railroad Administration, the Board of Tax Appeals, the Office of the Alien Property Custodian, the Federal Power Commission, the Board of Surveys and Maps of the Federal Government, the Federal Oil Conservation Board, the Personnel Classification Board, and the Federal Narcotics Control Board.

Permanence means expansion

THE LIST is not complete, nor is the creative process; as this is written the Federal Farm Board is being born. It is possible that one or two of the independent establishments mentioned, such as the Railroad Administration and possibly the Office of the Alien Property Custodian, may go out of existence within a few years.

One or two more, such as the Federal Radio Commission, possibly may be absorbed or consolidated into new and larger independent establishments; at least legislation to that effect has been proposed.

But, with these few exceptions, the establishments listed appear to be destined to permanence, and it should not be for-

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PHOTO BY PARAMOUNT

Will Hays, who made the movies clean, and Tom Mix, who made them exciting, face the camera with the former's son



How Hays Made the Sun Shine

By Herbert Corey

ROMANCE. That's the keyword of the movies. Romance. Yachts and diamonds and country houses and broken necks. Money spouting in fountains. A sparkling and unreal life taken to dim halls in every land civilized enough to own dimes. Fortunes made overnight, lost overnight, regained. Ideas translated into millions. Stable boys who become national heroes—of a sort—and shop-girls whose pretty faces are known in lands of which they have never heard. If that isn't romance, what is it? Not a high standard of romance, perhaps. Not more than ten-carat fine. But romance for all that.

Much of it—or so it seems—is due to a Presbyterian elder.

The onus of proof is on me. Perhaps I am wrong about Will H. Hays, practical politician, transmuter of ideals into box-office money, interpreter of the world to Broadway. If I am wrong plenty of people will write to say so. Mr. Hays himself may write. Not that I suspect him of an undue diffidence, but it may not suit him to be given too much credit. He is called the Czar of the Movies—and he is the Czar of the Movies—but things happen to czars. Let us hope that nothing happens to Mr. Hays.

The spirit is upon me, and I shall

write his story as I see it. If it is a romantic and hifalutin' spirit there is a defense. I go to the movies.

Eight years ago the movies were as coherent and unified as a chicken yard under the shadow of a hawk.

Ruin threatened them. Not a total and Babylonish ruin, of course. Several stones would have remained standing. Moving-picture houses would have been found today in most communities, even if they were compelled to supplement their programs by Indian shows and lectures on life among the lowly. But by comparison to the incredible prosperity of the industry today the ruin would have been great. Consider these

facts—Two hundred and fifty million people see the movies weekly nowadays. More than 300,000 people are employed in their various manifestations. Two billion dollars are invested. The annual cost of production is estimated at \$125,000,000. They have become such potent agents for American trade abroad that prime ministers sound off about them and European business men rend their beards.

Movies for Sullivan, Ind.

EIGHT years ago a banker who had loaned bank funds to a movie man might have come home smelling of tar. Nowadays the movies are on the New York Stock Exchange. Some are rated as sound investments.

What brought about the change?

Two things. The movie men saw that something had to be done. They did it when they called in Will H. Hays.

An Indiana politician. Politicians from other states sometimes sneer at the breed raised in Indiana. But they stay awake nights to watch them. A churchman.

One of the counts in the indictment that is sometimes brought against Hays is that he is an elder in the Presbyterian Church. I don't see the strength of that, myself. Back home elders were apt to be the backbone of the community. A small-town man. He believes that as Sullivan, Ind., thinks on certain basic matters of decency and ethics so thinks the nation. That isn't all of it. As the small town in Indiana thinks so thinks every other country on the globe. Maybe he's wrong. But thinking as he does he has sold the American movies to the world.

Eight years ago—this must be reemphasized—the movies seemed headed for the ditch.

Within the past year the talkies shook them as a terrier does a rat. What has happened? They came unshook. The industry has demonstrated a fluidity and adaptability never equalled in any industry on record. Think of it. Thirty major companies, not to speak of the minors, serving 23,000 theaters with silent films, were forced to about-face. Hays uses an eloquent metaphor in describing it:

"It is as though," he said, "automobile manufacturers had been called on overnight to replace cars that rolled with cars that jumped like rabbits—and in time for the next day's trade!"

And they did it. A large share of the 23,000 theaters have been or are being wired for the talkies. All of the larger ones ultimately will be. Even that is not

all. Right in the middle of this revolution other insurrections and alarms impend. Natural-color is here. The big screen is coming. The third-dimension picture is on its way. No doubt the time will come when television by radio will show the old First Division, U.S.A., countermarching before an audience in the Los Angeles stadium, to seat buyers in Portland, Me.

Anyone frightened? Well, perhaps. But every one carrying on. Maybe Will H. Hays did not do it. Maybe he only played a small part in it. But let's see.

A wiry, fallow, nervous, quick-thinking, fast-moving man. He talks over two telephones at once with decision and clarity. Home folks call him Telephone Bill. He dictates to a stenographer when he is out in his car. When one stenographer is full up he goes home and another stenographer sits in. Hays is having a grand time with the scenery and talking business with two magnates. Four or five situations simultaneously exploding fuss him no more than a fire-cracker would General Pershing. Meanwhile he is good-humored and cordial.

When he took over command the movie chiefs were fighting each other. They were slightly drunk with millions. Nothing to wonder at in that. One man began with a nickel show and chairs borrowed from an undertaker. Another rented a vacant store and put in plank seats. Another who opened lacked money for advertising and was about to close when a union assailed his nonunionism with delegates and banners. Selah! In hardly any time at all they were paying actors \$10,000 a week and more. It meant nothing to them if a picture cost a million dollars to make. It might bring in two millions.

Picture making had not become an art and was not yet an industry. It was a game. A gamble. Its players reached in every direction, bought theaters, directors, players, studios, plots, novelists, pretty girls, poets. Whatever might become an ultimate trump. There were no ideals, of course. There never are ideals in gambling. Neither were there standards. Alfred Henry Lewis once wrote an epitaph to a gambler who died in the exercise of his profession. I've forgotten the precise wording, but it ran something like this:

"He insisted on changing the rules of the game as he played along."

That might have served the movies. Because you and I like to see a good-looking young man make love to a pretty girl the screen kisses were stretched to 40 feet. Broadway thought that was why we went to see the picture. A film was sexy and successful. The rival pro-

ducers coupled the facts and made the next films more sexy. Audiences were beginning to stay at home. Mr. Jones and Mr. Smith think of themselves as men of the world. But Mrs. Jones and Mrs. Smith are definitely not women of the world in the sense used on the golf links. Nor are the juniors children of the world. Not by a jugful. Scenes and situations and words that encouraged a shamefaced giggle from Jones and Smith enraged them when they thought the folks at home might see them.

Seven states enacted censorship laws. They put a crimp in the movies as wide as a break in a dam. If other states had set up censorships—read what Hays had to say about it:

"Thoughtful men in and out of the industry saw that continued aggression would ultimately mean that there could be no physical distribution of pictures in America. Hampered by conflicting laws the industry would have been forced out of business."

That's definite enough, isn't it? The movie magnates knew that something was wrong, but here is the funny part of it. They did not know what was wrong. That does not seem to make good sense but I believe it to be the truth. Even yet a picture is often a success because of a factor that had been completely overlooked during the making. The reverse is true, too. Some of the producers were not in touch with American thought and ideals and aspirations and beliefs. They made distinctly the wrong type of film.

The money came first

THE industry is built on the box office. Any one who talks with a movie man today, from Mr. Hays downward, will hear a lot of first-rate eloquence about service and ideals. No doubt it is sincere. Who am I to throw even a pebble at a millionaire? But eight years ago they were not talking ideals. They were talking box office. The men who knew better were in the business for the money—and so is every other business man—and when Mr. A set up his cameras perilously close to a brothel door and his picture sold for some unidentified reason Mr. B was apt to send his guardsmen closer in.

It was a new industry and no one knew much about it and there were millions to be made and every producer did the best he could. Few realized that the curiosity which attracted a customer once might not attract him twice if the films were offensive. But they did see

(Continued on page 172)



Whatever promotes better health in a community benefits business

What Business Owes to the Town

By HENRY D. SHARPE

President, Brown and Sharpe Manufacturing Company, Providence, R.I.

WOODCUTS BY HARRY CIMINO

THE increasing number of corporations with branches in many cities has emphasized the need to clarify the relationship of business and community welfare. Shall the corporation contribute in a thousand communities or risk ill will by refusing? Mr. Sharpe explains the efforts that are being made to solve this problem

The management is uncomfortably conscious of responsibilities to the public which seem to conflict. They are charged with returning a fair dividend on invested money, and now are faced with cutting down that possible total dividend through gifts to the public at large through community chests.

As individuals, every executive in the organization is interested in community welfare. All give as much as they can afford to organized welfare agencies. Almost without exception they began life as poor boys, and have not forgotten the less fortunate.

But what to do about community welfare in a thousand communities, when

A VARIETY chain, with stores in nearly every state, establishes a new store in a small town in Pennsylvania. A manager is sent from Ohio to operate the new unit at a profit.

At first he finds himself very busy. Just as he seems to be getting started nicely, along comes a community-chest drive. The store allowance for memberships and donations is already exhausted.

The manager is asked to contribute a certain amount toward the new movement. Perplexed, he asks the collectors to give him a few days in which to see what can be done about the matter.

He writes to district headquarters. He asks for advice. Shall he simply make a reasonable contribution out of his own pocket, or shall he give or refuse in the name of the store?

The problem which he passes on to headquarters is no simple one. Conferences will be held to discuss his case along with many other similar ones.

the money which is asked does not belong to them? Shall they give, or shall they risk ill will in these communities by remaining aloof?

Chain stores are by no means the only firms facing such questions today. Hundreds of manufacturing houses, with branch offices scattered throughout the country experience similar problems. Much has been written about community chests and their advantages to individual business men. They have advantages, undeniably, but they still remain problems for the larger houses with branches.

Greater efficiency

IN MY own city of Providence, R. I., it was the overdevelopment of competition between the welfare agencies for financial and other forms of support that resulted in the coordinating agency known as the Community Fund. Obviously the Fund has brought more adequate financial support to the whole social welfare movement in this city. The annual budgets of the organizations supported by the Providence Community Fund have been increased by nearly one-third. When the Fund was organized, it included 25 distinct participating agencies. It now includes 38 such organizations.

More significant, however, than the broader activities and the increase in the amount of money made available for social welfare is the greater efficiency obtained in the administration of the agencies themselves. The Community Fund makes one drive to supply funds for all its members and thus makes it possible for the members to devote their entire time to rendering maximum service in accordance with the wishes of those who finance them through the Community Fund.

Before the Community Fund was established, many business men criticized the methods of welfare agencies. It was said that they were slow in paying their bills, that they were constantly asking for special consideration in the purchase of materials and supplies, and that they kept haphazard accounts. All this tended to discredit the agencies in the minds of business people. The Community Fund has changed all this.

But in Providence, as elsewhere, the role that business should play is still somewhat cloudy. Some concerns ap-

pear to be doing less than their share; others more. Some, unfortunately, do nothing at all. The chief difficulty centers about the corporate form of business and is accentuated by the present tendency toward the concentration of business in larger corporations, many of them national in character and without compelling local ties.



The Community Chest has coordinated welfare efforts and obtained better service

Directors may think of themselves merely as trustees of property interests and ignore the social conditions of the communities from which their corporation draws its labor and its patronage. Not at all in an invidious sense, this is a narrow conception of corporate responsibility.

But unless a broader conception can be agreed upon, it is the natural attitude to take. The varied types of corporations and partnerships that exist simply make the problem more difficult.

The individual owner of a business, or the partners in a firm, are obviously free to determine the extent of their obligations to social welfare agencies. They can act as liberally as they are disposed.

Local corporations are also able to decide such matters for themselves. It is when we come to consider corporations of national scope that we find it difficult to discover the acceptance of any definite balance between the corporation's business objective and its

donations for individual community welfare. Consolidations, the establishment of branch factories, chain stores, and farflung mergers of public utilities obviously have not helped in a solution of the problem, for with each new development the corporation appears to be getting farther away from the community it serves and the consumer whose welfare depends to a great extent on its interest.

The concentration of business in large corporations has re-emphasized the urgent need to clarify the relationship between business and community welfare. When owners of a business do not live in the community where an appeal for funds is being made, they are naturally not reached by the informal, personal and friendly explanations of those who understand the work being done by the welfare agency seeking funds.

In many small manufacturing communities, social welfare agencies have been almost entirely dependent on the good will and cooperation of locally owned industries around which the communities have grown up. When outside interests acquire manufacturing plants in such communities, the atmosphere changes. Serious hardships may result (and there are plenty of cases where they have) unless established policies for the support of local social welfare efforts are maintained by new administrations.

In the larger cities, it is not always easy to cite specific instances where corporate centralization has curtailed funds available for charitable purposes. However, the widening of the gap between corporate ownership and the welfare of the community in which a business operates produces a situation that must be met squarely.

Want their money's worth

FOR THE most part, chains realize an obligation to all the sections in which their units operate. It should be remembered that chains are shrewd buyers. They are not joiners in the sense that they will "go along" with any local organization simply because others are doing it. As a group, they want to know definitely what they are getting for their money. This spirit of caution extends to all their activities. They are, however, making worth-while attempts to solve their problems.

Perhaps the best statement of what the chains are doing about allotments

for community development comes from R. W. Lyons, secretary of the National Chain Store Association, which is composed of a group of the country's largest chains. He says:

"Candidly, the whole question is a gigantic one, when viewed upon a national scale, and the experience of no one community is sufficient to establish a predicate for a policy of national scope. We have many such problems as this. For illustration, it may be the Red Cross or the local tuberculosis sanitarium, or it may be some child welfare hospital, or what not, whose representative comes in and wants the chain organization to give \$5 per store all over the country to its movement for a year.

Many questions come up

"INEVITABLY the question is raised, 'If we agree to give that amount of money will it be administered efficiently in this situation?' That and countless other questions arise.

"In some communities one finds that the local chambers of commerce administer the charitable situations very effectively and that there are no community chests. In other communities one finds that there are community chests and that they are conducted most efficiently.

"An example of the attitude of one store towards the community is found in Cincinnati, where the head of the leading chain store is the head of the community-chest drive, which I understand raises the largest per capita fund in the country.

"Admitting that chain stores have not been fully aware of the full measure of their opportunity for such service, I do say that if there is a fundamental reason for this, it lies in the fact that they have been engrossed with the responsibilities and the aches and pains of rapid development to the extent that they have not had time for community work. But they are now emerging from that status and within five years you will find a different attitude on the part of 99 per cent of the chain stores of America."

Probably more of the businesses and industries in Providence are locally owned than in most cities, but the chains are taking over a large slice of the business formerly done by independent retailers. Providence affords a market for many different kinds of equipment and machinery for factories, offices and homes. A large part of this is manufactured by organizations operating on a national scale, but which are

represented in Providence only by sales offices or warehouses.

These branch establishments' executives are, for the most part, sent here from other places. They constitute an important part of our community, and the business which they transact forms a considerable part of our trade. Yet last year, the out-of-town controlled corporations in Providence, including branch sales offices, branch factories, chain stores, and all other kinds, contributed as corporations only slightly more than two per cent of the total funds disbursed by the Community Fund. And this was about twice as much as they had contributed the year before.

Doubtless, their executives and employees contributed as individuals while some, as corporations, may have done their share or more than their share. However, most of these did considerably less than locally controlled business organizations.

Most public utilities discovered, years ago, that they have much to gain by maintaining friendly relations with the communities that they serve. To industrial corporations, as well, the community's good will is an asset. But with them the health, contentment and general welfare of their workers is an even more important consideration. Such corporations are finding that contributions to well-managed community funds offer a more economical way of safeguarding the health of their workers, in many instances, than the expenditure

of money through their own welfare departments.

Whatever promotes fuller and more healthful living in its community is a real benefit to an industrial corporation. For the more its workers can live healthy and normal lives, the more zest they have to give to their jobs. All industries of a community share in a healthy social atmosphere, yet the promotion of any project big enough to touch the general welfare is usually too great an enterprise for any one industrial concern to undertake.

The Providence Boy's Club, with its three divisions and 5,000 members, is an example of a community welfare venture supported by the Community Fund from which every industry in the city benefits, but which would be far too costly an effort for any one industry to promote singly.

A standard for measuring

IN THE case of industrial corporations, because of the close relations between community welfare and the efficiency and happiness of their workers, there is some ground for measuring obligations of social welfare by the number of workers employed. If this is to be done, however, the average number employed should be the basis of reckoning, rather than the current pay roll. Otherwise, it might happen that when there is unemployment and special need for effort of this character, funds will not be adequately provided.

The community-chest plan, which has been adopted by hundreds of American communities, has resulted in a reorganization of social work and has placed thousands of enterprises serving a vital need in many cities and towns on a sound business basis. It has made for greater efficiency and the elimination of duplication.

Moreover, it has encouraged a more careful study of the social needs of the communities themselves. In the natural course of events this improvement in the structure and service of social welfare agencies will result, we can be sure, in an increase of corporation giving, for the modern corporation is really seeking to do its proper part in every community in which it operates.



Chain stores have been engrossed with responsibilities of rapid development

Consider the Ethics of Lobbying

By WILLIAM HARD

ILLUSTRATIONS BY
ALBERT DORNE



The new lobbyist's only tool
is a brief case full of eco-
nomic data and statistics



Gone is the lobbyist who
looked like a race tout—
and often was

THE case of former United States Senator Irvine Lenroot of Wisconsin, now a judge of the Court of Customs and Patent Appeals, and a casual remark by Senator David A. Reed, of Pennsylvania, have brought much attention to the ethics of certain areas of Washington life.

Mr. Lenroot was severely attacked by numerous former colleagues in the Senate for having become, after retiring from the Senate, a lobbyist for a group of electric light and power companies. They thought this employment, in the circumstances, sufficiently unethical to justify them in opposing Mr. Lenroot for his judgeship.

Mr. Reed, on the Senate floor, made an irritated and petulant allusion to the "so-called ethics" of the "so-called profession" of journalism, thus implying for the moment, though he entertains no

such notion in continuous fact, that the newspaper correspondents of Washington have no professional canons of conduct.

Now there are three peculiarly public professions in Washington. One is the profession of the man who, whether as legislator or as administrator or as judge, is a federal officer.

The second is the profession of the man who, as the employed representative of an "interest" or a "cause," endeavors, by lobbying, to secure the welfare of that "interest" or of that "cause" in the enactment or in the bureaucratic execution of the laws.

The third is the profession of the man who, as a writer in periodicals, daily, or weekly, or monthly, presents to the public the actions and the characters of the legislative, administrative and judicial officers of the Federal Government.

The lawyer who merely represents a litigant in a court is not here listed or discussed. He is not influencing public policy. The public policy regarding the rights of his client is already, supposedly, set forth in the law. All that he is seeking is a judicial determination of those rights. He is engaged really, from a certain standpoint, in a purely private endeavor.

A hand in public policy

THE professions here discussed are, on the other hand, all of them, affected with a public use in that their practitioners, influence or attempt to influence, the public policy of the country in the course of its making.

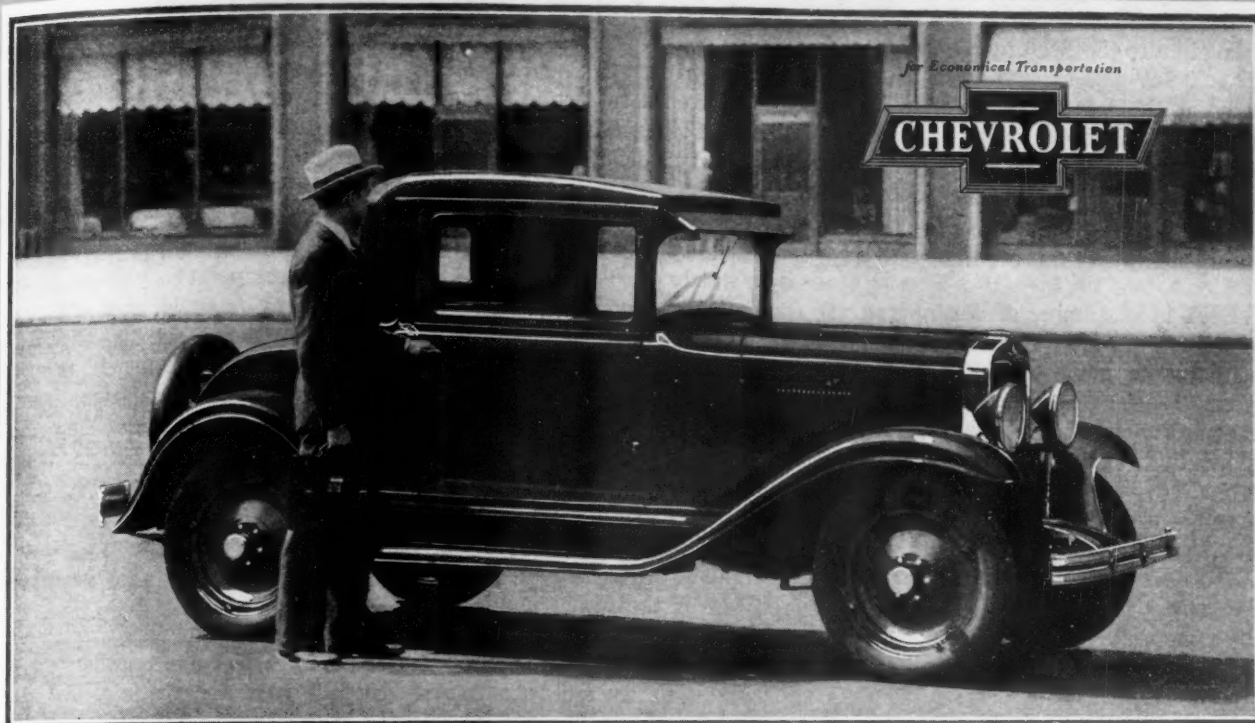
The federal officeholder, the lobbyist, and the journalist can therefore all be

properly held to standards of behavior not only privately honorable but publicly serviceable. They are all, in the very nature of things, "professionals" and "public professionals." They occupy a fiduciary relationship to their country's future.

The professional ethics of the officeholder may here pass without exposition, except at one point. It is taken for granted that the officeholder should be (a) incorruptible and (b) diligent.

The point which will be here noted is that he should be also (c) considerate of the right of the public to give him information and of its right to receive information from him.

In other words the officeholder, it is here contended, has the positive duty to listen to the reputable lobbyist who wishes legitimately to inform him and he has likewise the positive duty to re-



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Salesmen who cover their territories by motor can now enjoy an entirely new measure of comfort, convenience and safety—at a cost that fits the most economical traveling budget. For the new Six-Cylinder Chevrolet is not only offered in the price range of the four, but delivers *better than 20 miles to the gallon of gasoline!*

Among those who have given their representatives the advantage of Chevrolet's six-cylinder performance is the Crane Company of Chicago—leading manufacturers of plumbing and bathroom fixtures.

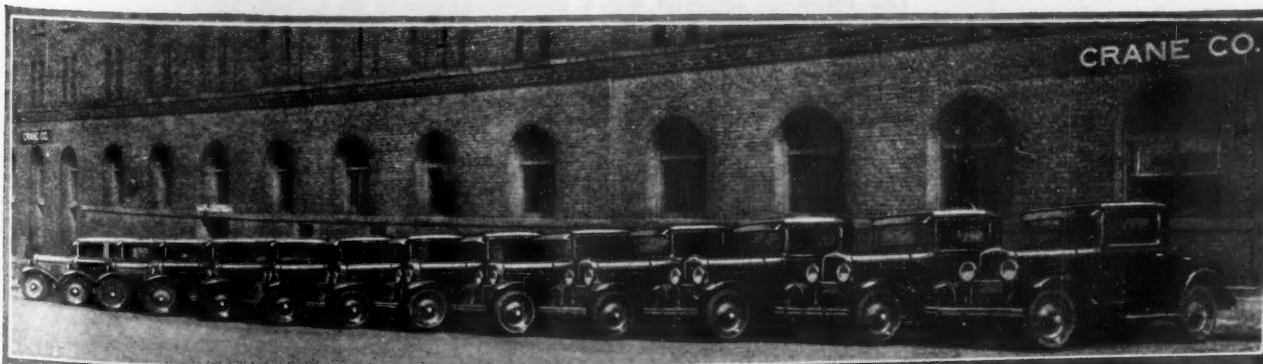
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If your salesmen travel by motor car, you, too, should investigate the Chevrolet Six.

You will find it remarkably safe—with such features as big non-locking 4-wheel brakes, safety gasoline tank in the rear, easily-regulated Fisher VV windshield, and strong combination wood and steel bodies. And you will find it amazingly economical—to own, to operate and to maintain.

Your Chevrolet dealer will gladly arrange a demonstration. See him today—and put your sales force on a modern six-cylinder basis!



A SIX IN THE PRICE RANGE OF THE FOUR!

When buying a CHEVROLET please mention Nation's Business to the dealer

ceive the reputable journalist who wishes to convey information from him or regarding him to the electorate.

This point will expand itself more clearly in the light of what may be meanwhile said about the professional ethics by which the lobbyist and the journalist are, or should be, bound.

Journalists have rules

A VERY large number of Washington journalists, including virtually all who are known by name to the public as regular "Washington correspondents," are bound not only by certain ethical customs but also by certain ethical written rules which they individually sign and which they individually solemnly undertake to observe.

Almost every regular Washington correspondent whose writings are telegraphically communicated to the reading public is a member of "The Press Galleries of the Congress." To become a member he is obliged to affix his signature to the following statements and pledges:

"I am not engaged in the prosecution of any claim pending before Congress or any department.

"I am not employed in any legislative or executive department of the Government.

"I am not employed by any foreign government or any representative thereof.

"I am not employed, directly or indirectly, by any stock exchange, board of trade, brokerage house, or broker, or other organization, or member thereof, engaged in the buying and selling of any security or commodity.

"I am not employed by any person or corporation having legislation before the Congress.

"I will not become engaged in any of these capacities while retaining membership in the galleries."

These asseverations and undertakings by the man or woman who wishes to become a member of the press galleries of Congress are made on the stationery of Congress for transmission to the Speaker of the House of Representatives and to the chairman of the Senate

Rules Committee. A member of the press galleries is accordingly obligated not only to his colleagues in those galleries but also, in writing, to Congress for his faithful adherence to certain stringent principles of journalistic professional practice. For violation of those principles the ultimate penalty is expulsion from the galleries.

That penalty was incurred not long ago by a widely popular correspondent. It was enforced upon him regretfully but inexorably. It barred him from attendance in the galleries and it accordingly, in practice, deprived him of the newspaper employment he had enjoyed.

The essential sum of the obligations undertaken by a member of the press galleries is, it will be noted, precisely that he is not a lobbyist and will not become one. The true ultimate client of the reporter is the whole public. The client of the lobbyist, philosophically considered, is a part of the public which is endeavoring to persuade and convert the rest of the public. The function of the reporter and the function of the lobbyist are consequently considered to be wholly incompatible.



The old-style lobbyist was a competent guide to gambling tables where he had the obvious trick of losing money to legislators

The reporter addresses all readers. He cannot be supposed to be addressing them impartially if he simultaneously is in the employ of some special group of readers. His pay must therefore come exclusively from his editors and publishers who, in ethical effect, are the agents in this respect of the reading public in mass. The reporter cannot have two conflicting paymasters for one dispatch.

His financial compensation must

come, it is held, from one source, and from one source only; and that sole source, ethically, is the newspaper or magazine in which his dispatch or article is printed.

Business men should thereupon thoroughly realize, especially in these days when "propaganda" may at any moment bring them before the Federal Trade Commission, that from the journalistic standpoint they cannot ethically convey any financial compensation to any reporter or commentator whose writings may have pleased them and still less can they ethically continuously pay him while he retains the outward character of an impartial, or uninfluenced, transmitter of facts and of ideas to the public.

Must be straightforward

AN INNOCENT ignorance of this rule, or an imperfect appreciation of it, has caused—and apparently will continue to cause—many business men much grief.

If the business man wished to have an employed representative in Washington, he should engage a person who will become permanently or temporarily but always outrightly, openly and professionally a lobbyist.

At this stage in the discussion it is necessary to go back for a moment to certain ancient rights and wrongs in the history of lobbying.

The noun "lobby" means originally a passageway in a building in which a legislature holds its sessions. It then derivatively means the concourse of persons who may frequent that passageway to present their pleas

to legislators. There is no older or more substantiated right in a free people than the right of petition to legislators. The act of lobbying is in essence merely a form of the exercise of that right.

It is, therefore, an act which is not only basically ethical but basically essential to free institutions. The citizen has a right to be heard before his fortunes may be legislatively impaired or even destroyed. He has the right to be

(Continued on page 212)

TO EVERY MAN *who has ever considered* a Course in Business Training



WHAT is the reason for the astonishing growth of the Alexander Hamilton Institute?

Advertising didn't do it. Advertising, alone and unaided, could not possibly account for such a phenomenal success.

Salesmanship didn't do it. Even the corps of trained advisers who represent the Institute could not have succeeded if there was not a fundamental need for the service they offer.

If there is one outstanding reason for the Institute's remarkable success, it is this: Men who have benefited by this training become its voluntary salesmen, and continue to tell their acquaintances about it for the rest of their lives. Here is an incident that is characteristic:

A few weeks ago we received a letter from Walter E. Johnson of Minneapolis, a man who had already become a millionaire at the early age of 39.

Mr. Johnson, who is Vice-President of the Burma-Shave Corporation, is not an Institute subscriber. He has no need for Institute training, for last summer he attended the Harvard Graduate Business School at Cambridge. (If every man could leave his business and do this, the Institute would not exist. The Institute was founded to make university business training available to men *who haven't time to go back to school.*)

"I was talking the other day," Mr. Johnson's letter reads, "to Morris T. Baker, who is President of the Morris T. Baker Company, and the outstanding real estate operator in Minneapolis.



An airplane snapshot of the valuable Baker properties in Minneapolis. Mr. Baker is still in his thirties; four years ago he was a salesman. Read what he says of the Institute Course.

"Mr. Baker told me that he is one of your graduates. He gives the Institute credit for a great deal of information which he otherwise would never have had. In fact, he told me that he keeps a set of Institute texts on his desk and even now refers to them frequently.

"Mr. Baker is a young man in his thirties, and one who reflects real credit on your Institute. I take this opportunity to congratulate you, and to say that I make use of every opportunity to recommend your training to progressive men of my acquaintance."

In this double success story, men who read this page will note some unusual facts. Both of these men are

millionaires; both are under 40. Only one of them is an Institute subscriber — but *both are trained men.*

Do you want to have the joy of succeeding while you are still young enough to enjoy the good things of life? For years the Alexander Hamilton Institute has specialized in the single task of training men for the higher executive positions of business.

Into its Courses have been built the experience and the methods which have made many of today's business leaders successful.

Its subscribers appropriate the knowledge of other men, and profit by other men's mistakes and successes. They learn in months what ordinarily takes years.

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Any man who is sincerely interested in his future will clip the coupon at the bottom of this page. The book which the coupon will bring is "Forging Ahead in Business" — an interesting book that tells how the Institute has helped so many men to find success while they are still young. It includes the facts about the Institute's much-talked-of new Courses in Production Management, Marketing Management and Finance Management. There is no obligation of any kind; send for your copy now.

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Executive Training



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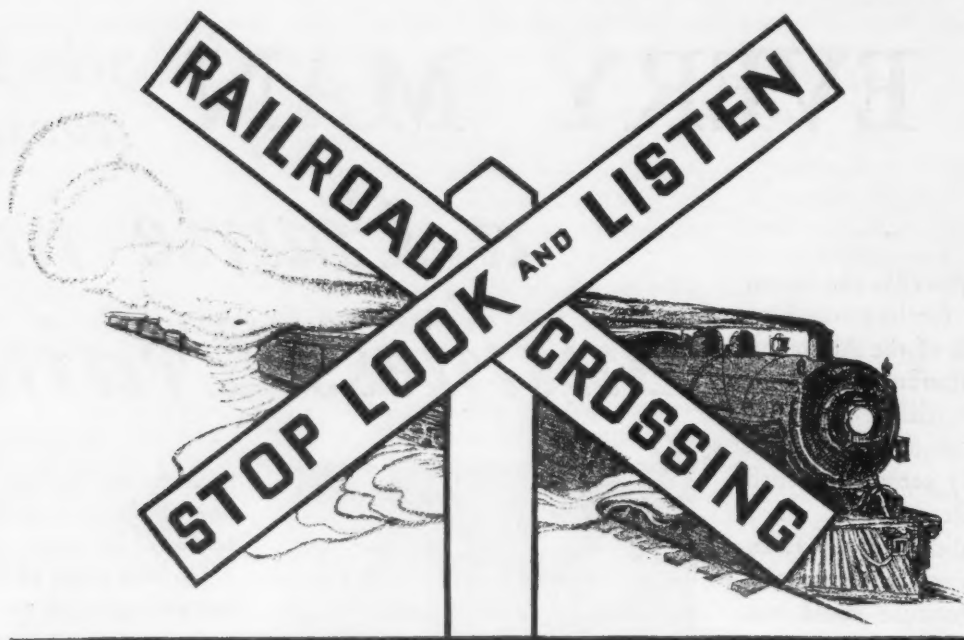
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Send me the latest edition of "Forging Ahead in Business," together with full information about the new Management Courses.

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THE warning signs, "Stop, Look and Listen", have become merely a part of the roadside landscape to many an automobile driver. Heedlessly he passes ten, twenty—perhaps fifty of them—safely. At the fifty-first comes the crash.

Last year 8,383 persons were killed outright or injured in automobile accidents at grade crossings in the United States. There are about 235,000 grade crossings in the country; more than 93% of them are unprotected.

With millions of new automobiles on the roads each year, accidents at grade crossings are increasing at an alarming rate, for the reason that most of the States have no organized program for protecting motor traffic which must cross railroad tracks.

New York, under wise leadership, has shown how to solve the problem. Before the Empire State adopted her present plan, but 10 crossings a year, on an average, were done away with. This year, the first in which the railroads, the State and communities have cooperated—the railroads paying 50% of the cost, the State 49% and communities 1%—85 death-traps are marked for immediate removal. Next year New York hopes to eliminate 150 more of its worst danger spots.

Other States are becoming aroused to this terrible and needless destruction of life and property and are taking steps to prevent it. Canada, too, is taking action.

It will require many years to complete the work. It is estimated that it will ultimately cost twelve billions of dollars. But what railroads and States and communities ought to do is to begin at once with those grade crossings which should be abolished first.

Grade crossings are dangerous not only to automobilists and pedestrians, but to people who are traveling on trains. The first section of a limited train struck an automobile and killed two persons. The train stopped and the second section plunged into it, killing thirty-two passengers in the first section.

Wherever the law provides facilities for eliminating grade crossings, citizens should see that public officials perform their duty and abolish these death traps. Wherever the laws must be amended, people should meet the issue squarely and urge prompt action by legislative bodies.

There is danger at every grade crossing. Get rid of them. Copy of New York's program mailed free on request. Address, Department 109-U.



METROPOLITAN LIFE INSURANCE COMPANY
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HALLIDAY, BOSTON

Hancock had in mind to leave his house to the Commonwealth to become a governor's mansion

John Hancock, Merchant Prince

By ALBERT BUSHNELL HART

Professor Emeritus of Government, Harvard University

PART II

UNTIL the foundation of the Bank of North America in Philadelphia in 1781, there were no banks in the American colonies. No fire insurance companies existed in America although marine insurance risks were taken by underwriters. There were no manufacturing corporations and no principle of limited liability.

On the other hand, the great merchants, like John Hancock, and Thomas Hancock, his uncle from whom he inherited his business, were practically bankers, having a relation to manufacturers and shipping firms not unlike that of modern commercial banks.

The usual medium of foreign exchange was a bill drawn by the Hancocks and like firms on correspondents overseas, usually in England; or in New York, Philadelphia and elsewhere. Wealthy Jews

—Haym Salomon in New York was one —loaned money and transferred funds back and forth overseas.

In Boston the Hancocks and others acted as bankers for their customers and correspondents, and were willing to sell their bills to those who wished to make payment overseas.

In fact, the Hancock firm acted as do

our own modern trading corporations. It bought any product that could be profitably exported. Most such products were brought to Boston by water, and that required vessels.

The Hancocks would buy both vessel and cargo; reload, and send the vessel to a foreign port. There the cargo could be sold and a return cargo taken on, or

they would sell the ship as a commodity. Hence, a considerable number of British ships engaged in trade anywhere in the world had been built in the shipyards of New England.

In addition to their wholesale business the Hancocks maintained several retail stores in Boston, particularly the Stationer's Arms on Ann Street, though as time went on the bookselling department became comparatively unimportant. The greater part of the firm's business was wholesale, much of it in cargo units.

The firm had a regular accountant, named Hoskins, and a sort of mana-

I am preparing all our King's Accounts to be transmitted to you, as also the Accounts of small Blanks, which shall be sent by next Packet when I shall write you fully. Pray dispatch Marshall as quick as possible. You may rely on my best Endeavours to return him to you. Times are very precarious here you must make the most of your Amittances as Money is extremely scarce, & Trade very dull. If we are not relieved at home we must live upon our own produce & manure. Fastidious — we are terribly burthened our Trade will decay and our daily work a staving, I shall soon write you again, I am with great Respect
Yours most obedt Servt
J^{no} Hancock

A facsimile of one of Hancock's war-time business letters

ger named Palfrey. There were also warehouses and tenements, which appear to have been a part of the property of the firm.

On their vessels they frequently carried passengers. Among their ships are recorded the *Boston Packet*, *The William Galley*, the brigs *Lydia Fry* and *Industry*, and the famous *Liberty*.

Men like Hancock were of course brought into the colonial dignities, such as membership in the President and Fellows of Harvard College; and a transaction very difficult to understand is John Hancock's behavior as treasurer of that august institution.

Not so good as treasurer

TO THAT office he was elected, doubtless on his reputation as a first-class business man in trade.

The scanty securities of the little institution passed into his hands, and there they stuck for nearly 30 years. They were recovered with difficulty after his death from his estate, along with simple interest (compound interest barred).

Perhaps he was influenced by his inability to recover any payment from the United States for his service of two years and a half as President of the Continental Congress, which he estimated as costing him 1,500 pounds. Though treasurer, he refused to answer letters from the president of the College;

pointedly objected to the selection of another treasurer; and late in life reluctantly turned over \$16,000.

The college authorities once voted to bring suit against him, but thought better of it. Finally, in 1785, he filed a statement to the effect that he owed the College 1,054 pounds.

Not until 1795, some 21 years after the first attempt to get a settlement, did his heirs begin to pay; and it was a good seven years longer before the account was closed.

Considering his means, his station, and his interest as a graduate of the College, the only explanation seems to be that a great man can sometimes descend to very small actions.

Certainly the reason was not lack of means, although the estate of 70,000 pounds left him by his uncle Thomas had dwindled surprisingly when his own estate was settled in 1799 after six years in probate.

An inventory of his real estate in the court records shows that, in the Boston neighborhood, he had four pieces of real estate, together valued at 940 pounds. Most of this consisted of business premises, but it included also a few tenements which were rented for an income. He also owned three pews in Boston churches valued at 130 pounds and mention is made of various parcels of land in outlying counties.

In addition he owned the magnificent

Hancock House. He had in mind to leave that mansion to the Commonwealth to become a governor's mansion but failed to make the proper testamentary provision.

Seventy years later it was still intact. The wealthy Commonwealth refused to accept it even as a gift from public-spirited citizens and it was torn down.

It does not appear that he had ever owned or cared for a large country estate such as many New Englanders desired.

Revolution hurt his estate

AS FAR as can be ascertained his cash assets in 1793 came to about 27,000 pounds, plus 10,000 pounds in notes of hand of other people—evidently of doubtful value.

Against the estate in 1799 were still ascertained claims to the amount of about \$20,000, of which nearly \$12,000 was fiduciary.

The shrinkage of the estate may be attributed in a large part to the hazards of business during the Revolution and to John Hancock's public occupations and preoccupations during and after the war.

Hancock, although his uncle had sent him to England in 1760, seems to have brought home no love for the mother country when he returned about a year later. In 1765 he came out strongly against the Stamp Act and as a selectman for the town of Boston joined in a public protest.

Then came the famous episode of the sloop *Liberty* in 1773, the simple facts being that when the collector of the port went on board that craft the crew locked him below while certain casks of dutiable Madeira were landed.

The sloop was seized; a riot was organized; a town meeting protested. Hancock was sued for 100,000 pounds, and the *Liberty* lost her liberty to sail the seas.

Thenceforward he was definitely placed among the discontented. As a member of the Colonial Assembly he made public the famous Hutchinson letters.

The business effect of this attitude was that he broke with his agents in England though at the time of the famous tea dispute in 1773 he seemed actually to have paid duty on a shipment, which caused John Adams to write, "Mr. H. I believe is justifiable, but I am not certain whether he is strictly so."

In a letter to his London agents mentioning the Tea Party of 1773

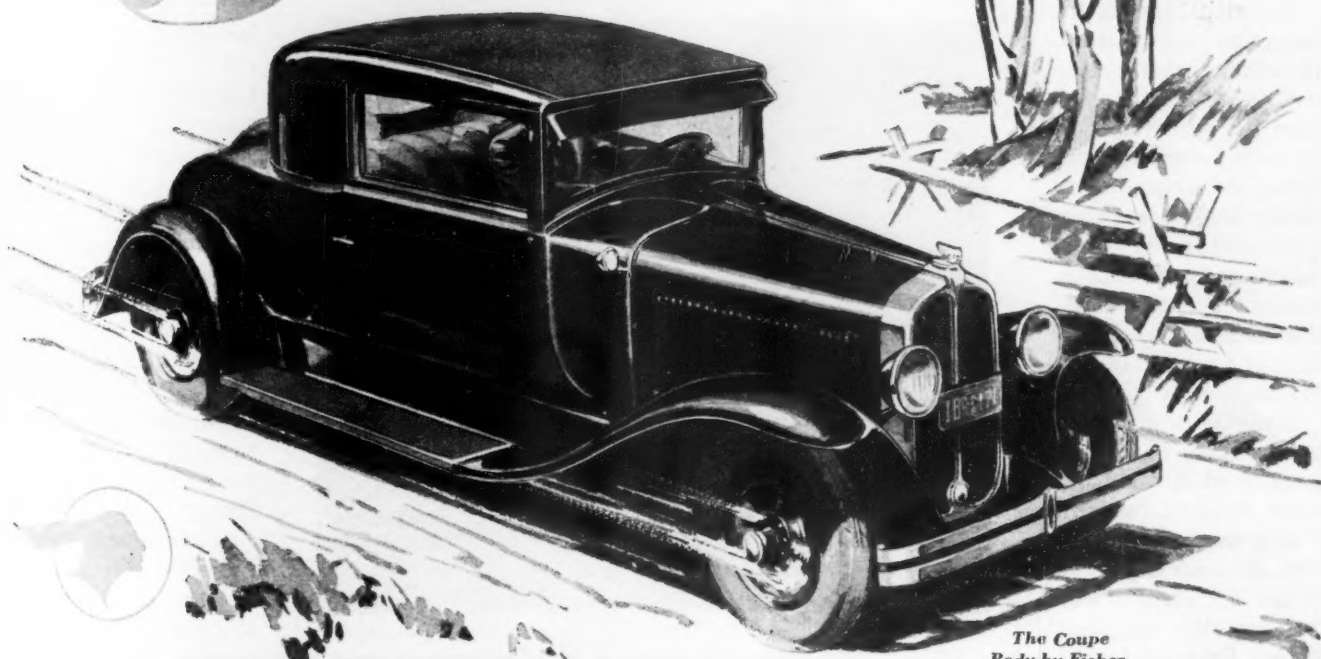


HALLIDAY, BOSTON

Crowds about the Old State House cheered the reading of the Declaration of Independence, in the framing of which Hancock had figured

A favorite for business
because it fulfills these

3 major
requirements



The Coupe
Body by Fisher

ANALYZE Pontiac's remarkable popularity as a car for business use. You will find this largely due to the fact that it fulfills completely 3 major requirements of successful commercial performance:

1. Maximum operating economy
2. Dependability—less lost time
3. Comfort for the driver

Pontiac's unusually low operating cost—which one large company's figures show to be one cent a mile less than that of any other low-priced six—is the result of such features as the Harmonic Balancer which eliminates torsional vibration in the big, 53-pound, short-stroke, counter-balanced crankshaft—its full-pressure adjustable lubricating system insuring correct lubrication.

These and many other advanced engineering features lengthen Pontiac's life—keep it out of the repair shop—and likewise give it that dependability which is so important to the busy salesman.

And in its big roomy bodies by Fisher—free from squeaks, rattles and drumming—is that big car comfort which enables him to ride hundreds of miles with the minimum of fatigue.

Write to the Fleet Department at the factory for our Fleet User's Plan and the Fleet Executive's Experience Book. Demonstrations of the Pontiac Big Six can be arranged through any Oakland-Pontiac dealer or with the factory.

Pontiac Big Six, \$745 to \$895, f. o. b. Pontiac, Mich., plus delivery charges.

OAKLAND MOTOR CAR COMPANY, PONTIAC, MICHIGAN

PONTIAC

PRODUCT OF
GENERAL MOTORS

BIG SIX-\$745 AND UP

When writing to OAKLAND MOTOR CAR COMPANY please mention Nation's Business

he refrained from sending "the particulars. Indeed I am not acquainted with them myself."

Thenceforward Hancock stood in the front line of the Massachusetts patriots. He was not a delegate to the First Continental Congress, but was president of the Revolutionary Provincial Congress. His status in the patriot cause as a leader of the first class is attested by his choice as president of the Second Continental Congress in 1775.

Notwithstanding his honors and his influence, Hancock, like some other civilians of the time, desired the opportunity of military leadership; and sitting in the chair he was visibly discomposed when his colleagues, John Adams and Sam Adams, nominated for commander-in-chief of the Continental forces, George Washington of Virginia.

Many of the leading business men in the colonies stood by the royal cause, or were lukewarm in support of the Revolution. Hancock had more to lose in a financial way than any other merchant in New England; but he stood by the new flag.

The war must have caused him costly losses.

Damage to the shipping trade was terrible. The Hancock firm lost vessels, lost cargo, and lost commercial opportunities.

His papers throw some light on the hazards of business during the Revolution as well as on the variety of interests of a great house in those troublesome times.

The shipowners, mostly wealthy families, took out letters of marque and captured a good many British ships but the fishing industry was interrupted and the trade with the French and Dutch was slow of organization.

War wealth and losses

A FELLOW-merchant of Hancock's, Samuel Tracy of Newburyport, once boasted that during the Revolution, he and his firm owned 60 ships and captured cargoes worth millions. But he died a bankrupt.

Others, however, were less unfortunate or less profligate and several of the Nation's early fortunes may be traced to the booty that was derived from the

exploits of sailors who turned privateer.

When the war was over Hancock seems never to have recovered his business inspiration. He turned to politics and, after Massachusetts adopted a constitution in 1780, was elected governor. His business declined further. Although the governorship was not an engrossing responsibility, it drew upon his productive and managing power. He was accused by some of his numerous enemies of what a recent wit has called "dra-

remember the time, Mr. Taylor, when 1,000 families depended on Mr. Hancock for their daily bread; perhaps more. All men allowed him to be punctual, humane, generous. How many of the heads of these families would be inclined to vote for Mr. Hancock?"

It must be admitted that he was not a very good governor although until the end of his life he was open to suggestions that he was of presidential timber.

His experience and financial skill seemed to have had little weight in the affairs of his own state or the councils of the Continental Congress while he was active in it.

As president of that body he might have brought about a proper system of accounts, and a method of supplying the army. In the affairs of his own state he was not a business leader. The currency, the taxation, and the expenditures of Massachusetts were irregular and confused.

When the storm of the Shays Rebellion came up, in 1786 Hancock seems to have been inert. Just then he was succeeded by Governor Bowdoin, under whom, when the legislature refused to act,

the business men of Boston and other towns united in guaranteeing public funds to fit out the little military force that defeated the insurrectionary troops. The wonderful growth in Massachusetts shipping, banking, and manufacturing came after Hancock's death, and owed very little to his business sagacity.

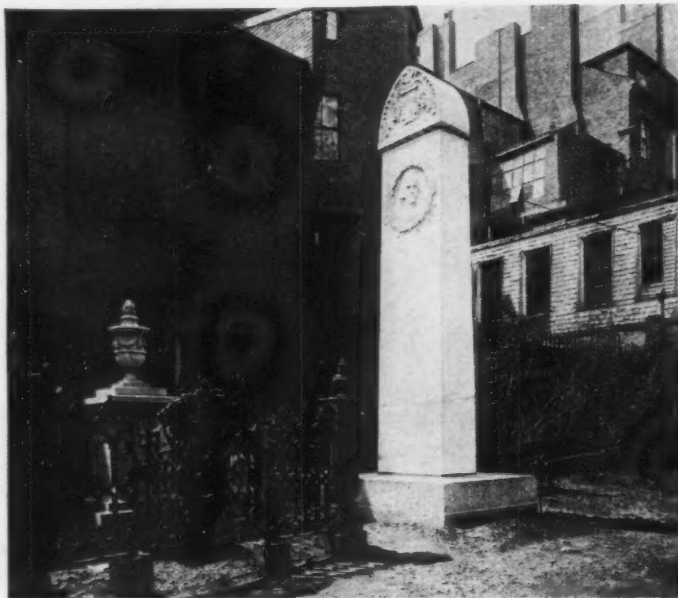
Fostered the revolution

NEVERTHELESS the business world owes permanent national gratitude to John Hancock's business.

He was the conspicuous example in the Revolution of the wealthy man who had much to lose and dared to risk it all for a principle.

Take Hancock out of the Massachusetts combination, and it is doubtful if that colony ever would have initiated a Revolution.

He worked with other public men, especially Samuel Adams; he had a share in forming the Federal Constitution of the state; his support of the Constitution was just enough to secure the necessary majority in 1788.



Hancock rests in the Old Granary Burying Ground, with the city he helped build crowding close about his grave

matic gout," probably induced by the solid and fluid hospitality of the governor.

There is a record of a little dinner party of 50 or 60 guests to which the gubernatorial host was carried in a chair.

This Hancock gout got him into trouble when George Washington came to visit Boston in 1789. The schoolchildren of Cambridge escorted the great man to the Boston boundary, and there came a squabble as to who was to escort him into the city; the result of which was that the President of the United States rode into the Massachusetts capital on his own.

Governor Hancock insisted that inasmuch as he represented the Commonwealth, it was incumbent on the President to make the first call; which Washington, in behalf of the whole country, declined to do. Hancock surrendered and appeared, apparently in his flannels, to pay his respects to the man who was, after all, his superior officer in the new-formed republic.

Hancock could be generous on occasions. John Adams wrote of him, "I

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Charles II presented
the royal charter to
the Hudson's Bay
Company in 1670



A Chain of Stores 259 Years Old

By FLOYD S. CHALMERS

Managing Editor, the Financial Post, Toronto, Canada

THE MAN from western Canada sat in a convention in Washington and listened to an able distribution expert discuss the new era in merchandising.

"In this new era," said the orator, "the most significant development is the rise of that great factor in present-day business, the chain store. The chain store expresses the tempo of twentieth century business. It is new and vigorous."

The man from western Canada let his feelings burst forth when the speech-making was done and while he was walking back to his hotel with another of the delegates.

"New," he sputtered, "why, man,

we've had chain stores in Canada for 259 years."

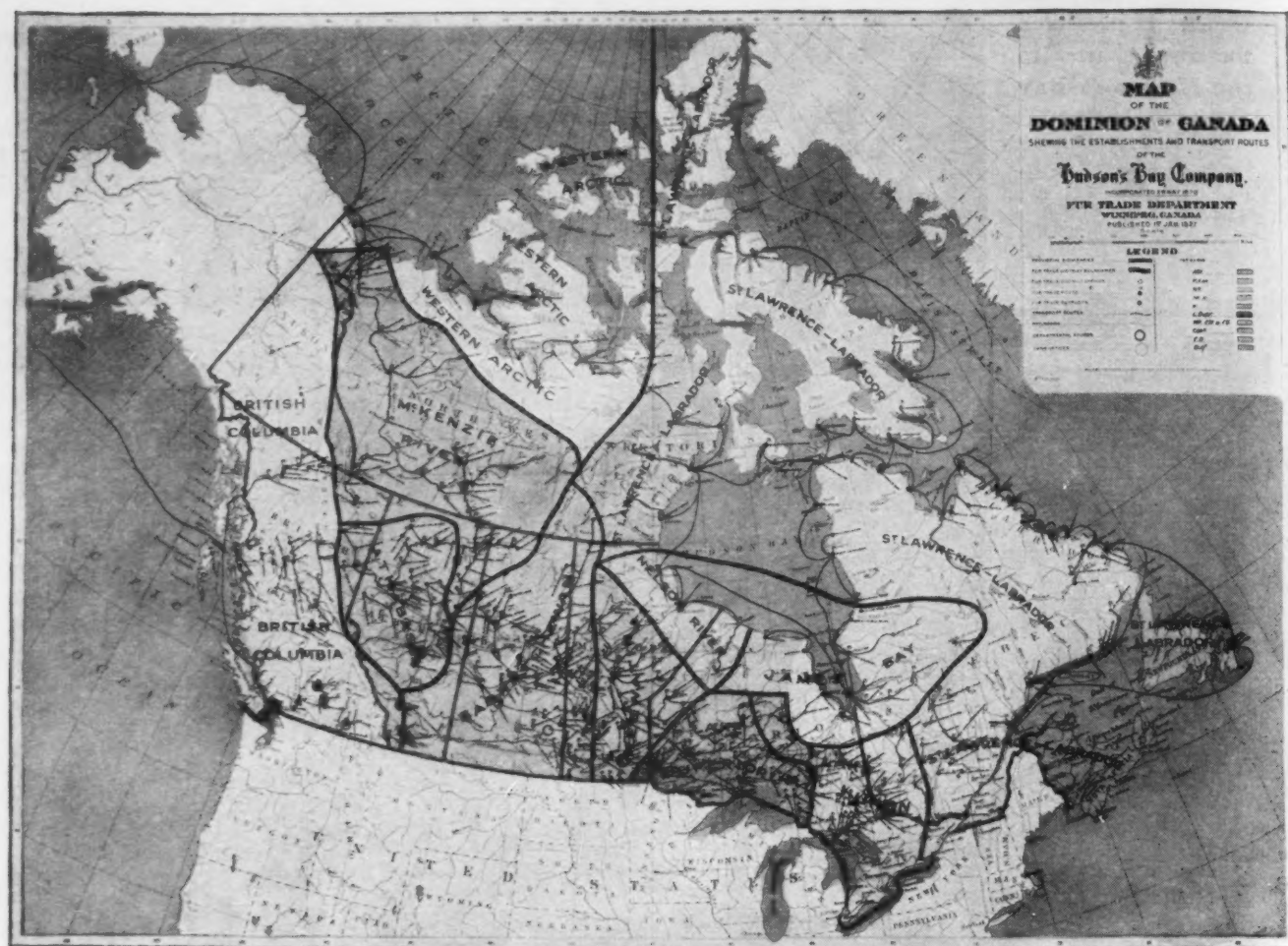
He was right. The chain store is not a new idea. The world's first chain of stores is still in existence and is a flourishing and successful merchandising institution. It has a store today on every spot where it opened a store more than 200 years ago.

All over the North

IF YOU go into Vancouver, Victoria, Calgary, Winnipeg, or any one of a number of western Canadian cities and hunt up the largest department store in town, your steps will, in nearly every case, lead you to the store of the Hud-

son's Bay Company. Go anywhere in the far north of Canada from the Yukon to Labrador and find out where the miners, trappers, Indians, missionaries and settlers buy their merchandise and you will be directed to the nearest of the many trading posts of the Hudson's Bay Company.

A few thousand people live in scattered spots along the rivers that flow into the Arctic Ocean and even along the northern fringe of Canada's coast where it touches the Arctic Ocean. You will find no towns marked on the map but there are people there and they buy either from Hudson's Bay Company posts or from the trading steamers the Company sends down the rivers and



No point is so isolated or so far from civilization that the Hudson's Bay Company cannot reach it. On this map the heavy lines show trading areas; the lighter lines, trade routes; the dots, trading posts; the large circles, land offices, and the smaller circles, department stores

along the coasts in the summer. Mighty dynamic, modern, progressive, the Hudson's Bay Company has not changed in its essential characteristics and aims.

The title has not changed.

The name is still "The Governor and Company of Adventurers of England Trading into Hudson's Bay." The name is shortened to Hudson's Bay Company on the store fronts and at the bottom of the full page advertisements in the daily papers, but you will find the full name on the stock certificates and in the company's annual reports.

The form of control has not changed.

The royal charter given to the Company by Charles II, provided that its affairs should be directed by a governor, a deputy governor and a committee of seven. The Company's affairs are today governed by exactly such a committee.

Its business has not changed.

The Company was granted its charter to conduct trading operations into Hudson's Bay. The Company still controls trading operations in Hudson Bay. In its 259 years of existence there has seldom been a single year that a vessel

has not sailed from England to Hudson Bay carrying merchandise and returning with furs, whale oil, minerals and other products.

Dependable in operation

CONSIDER this for business continuity. Since 1726—50 years before the Declaration of Independence and before George Washington was born—there has not been a year when the Hudson's Bay Company has failed to send a vessel from England into Hudson Bay to carry on trading operations.

Its primary purposes have not changed.

For example, there is the matter of the Northwest Passage. In the Company's original charter—which, incidentally is well preserved at the head office in London, England—the preamble sets forth that the charter was granted because the adventurers comprising the company had undertaken to seek the Northwest Passage. That is to say, they hoped to find a river or some other body of water westward from Hudson Bay that would provide

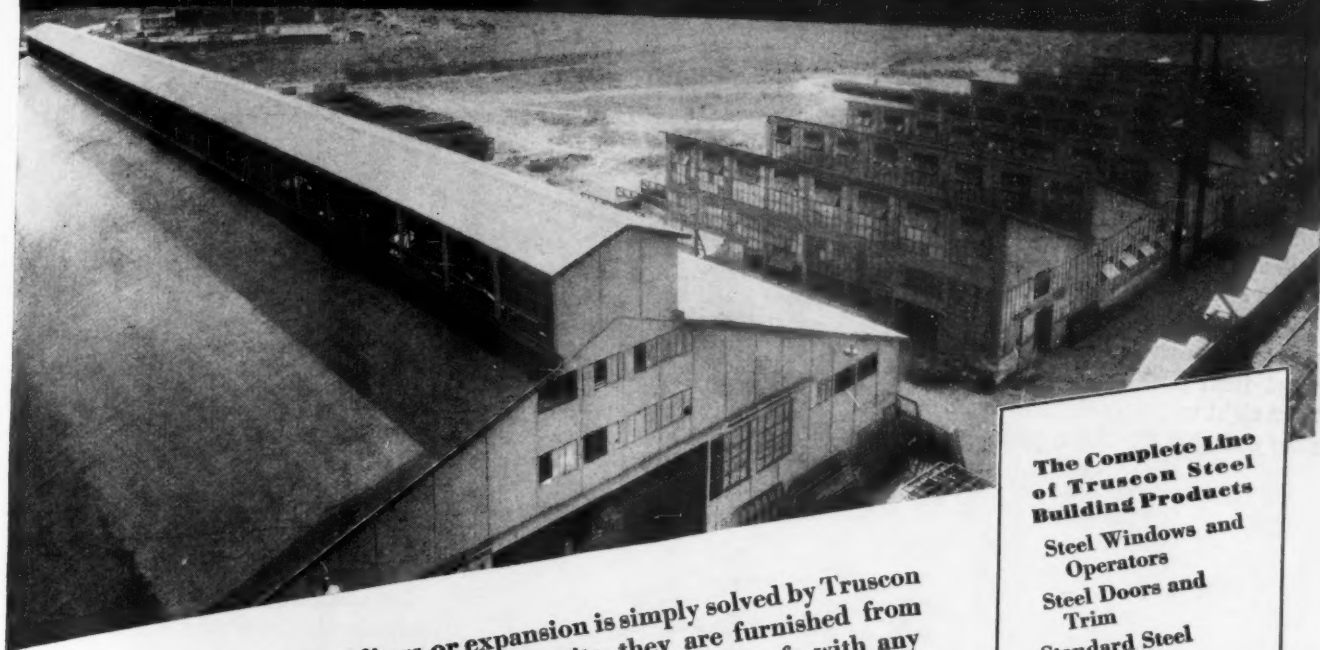
them a short passage to the South Seas.

In 259 years of its existence, the Company has never failed to prosecute this search. In its early days it spent vast sums to find the Northwest Passage, all of the arduous voyages ending in disappointment. Of course, the fact that it is possible for a vessel to cross from the Atlantic to the Pacific Ocean north of Canada through the Arctic Ocean has been proved but the commercial possibilities of the route have not been demonstrated.

At present, Hudson's Bay Company steamers go into the Arctic from the Atlantic and carry supplies to trading posts there. Each summer, too, a steamer goes from Vancouver around Alaska to the western Arctic to outfit Hudson's Bay posts. Two years ago the vessels were able to communicate with each other by wireless over the intervening 600 miles.

It was 258 years, to the day, from the morning when the fifty-ton ship *Nonsuch* sailed from Gravesend, England, to find the Northwest Passage that the modern steamer *Bayrupert* of

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TRUSCON STEELDECK ROOFS

3,690 tons sailed from the same spot to cover the same ground for the same purpose, trade. The *Non-such* pioneered into dangerous unknown seas and did not know what was beyond. The *Bayrupert* was able to fling a message to a sister ship across the Arctic wastes and every minute of its journey it knew its exact location in relation to civilization.

Old-time price lists show that the Company did not attempt to sell for gold and silver. It adapted its prices to the one universal currency of the day, the skin of a beaver.

Prices were fixed at the trading posts, although they varied somewhat from post to post. It took from eight to twelve skins to buy a gun; one skin for half a pound of



As Vancouver grew, a trading post became this department store



The Hudson's Bay store in Victoria, one of eleven such buildings

Arctic Islands, 30 of which are within the Arctic circle. The map of Canada is covered with Hudson's Bay posts. The Company's 86 steamers and motor vessels ply the northern rivers and Arctic waters.

It still controls 2,500,000 acres of western land, which it is selling to desirable settlers from year to year.

Every one of these operations, explorations, trade, settlement and transportation, was set down in the original charter of 1670. Every one has been conducted without interruption for 259 years.

Are chain stores new? Not in Canada where the Great Company of Gentlemen Adventurers has built its chain of trading posts into a chain of stores.

powder; one skin for four pounds of shot.

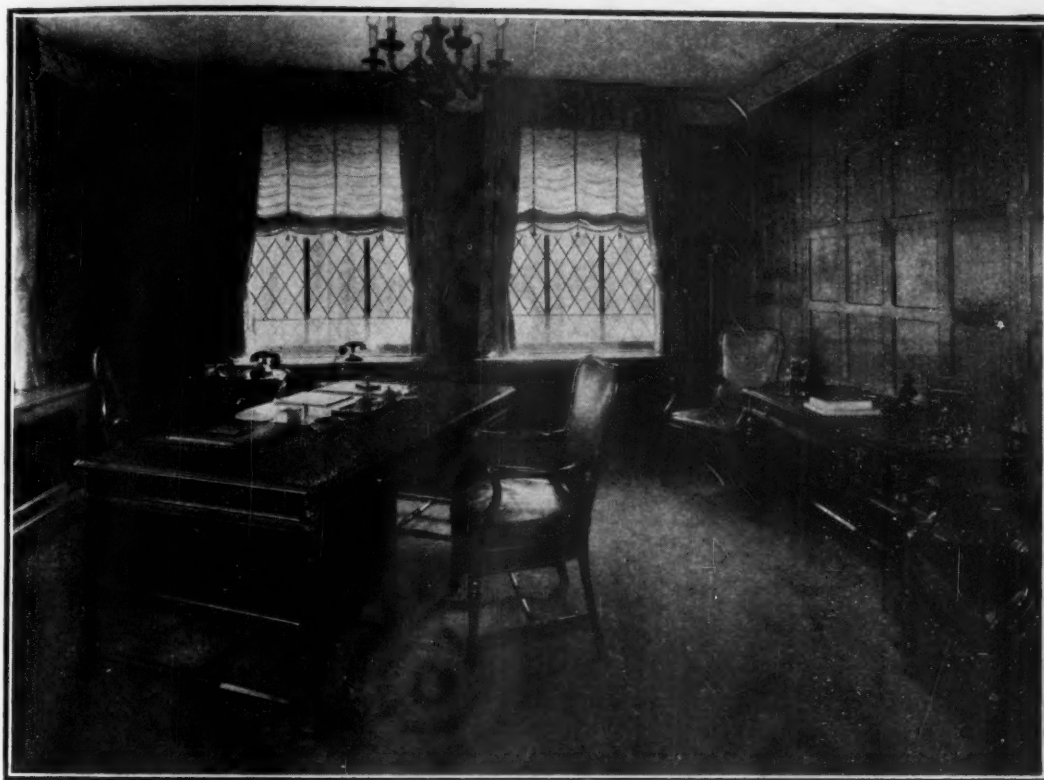
The Company took great risks and made great profits. It paid good dividends in the early days and still pays good dividends. Fourteen years after it was founded it paid a 50 per cent dividend and in the next year it paid 25 per cent. A year later it split its shares three for one and paid 25 per cent on each of the new shares.

All this has a familiar ring to the present-day reader of the financial pages hasn't it?

The half dozen trading posts the Company owned in its first few years of operation have grown to 11 large department stores in the leading cities of western Canada; six wholesale establishments; 300 smaller stores and fur trading posts from the Atlantic to the Pacific and from the American border to the



In Winnipeg, where once the Indians bartered furs for supplies, this Hudson's Bay store carries everything any store might have



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Looking On in Washington

. . . . "My business in this state
Made me a looker on here in Vienna."
—Vincentio in "Measure for Measure."

I DEARLY love to look on while Chester Gray, high chief legislative representative of the largest of our farm societies, the American Farm Bureau Federation, addresses committees of Congress on the subject of the tariff.

In the first place, I am deeply impressed by the respect which congressional inquirers and inquisitors accord to any representative of any group of farmers.

The theory is that big business controls our national politics. The fact is that the legislative agents of business, small or big, are frequently badgered and harassed and insulted when they approach a congressional committee, while the representatives of the allegedly unprivileged and disinherited and impotent agriculturists get patted, petted and coddled.

I am obliged to say that I am more impressed by the fact of political obsequiousness to the agriculturalists than by the theory of political subservience to the masters of capital. As a looker-on, I note with appreciation that our serf or peasant farmers produce for us today our master lobbyists.

Among them the master of masters is Mr. Gray, and I watch him with especial amazement—and amusement.

MR. GRAY is as far as possible from being a good model for an artist about to produce a painting of unlettered brute force striving against earth and weather. Mr. Gray is rather meager of girth, rather elongated and attenuated in general build, rather delicate in looks and ways.

His aspect is one of sensitive intellectuality. His features are graven with the chisel more than with the broadax. He has a scholar's pallor.

Talking to a committee, he never loses either his information or his com-



UNDERWOOD & UNDERWOOD

Matthew Woll

HENRY MILLER

Chester Gray

TARIFF begets some strange combinations, our observer notes. One such is that of Woll, Gray, bananas, tractors. It has a meaning far-reaching and unusual

posture. His information is prodigious in scope, miraculous in detail. He has spoken to the Ways and Means Committee of the House of Representatives and to the Finance Committee of the Senate on almost every farm product.

He operates, it is said, a quite considerable farm in Missouri. He became the president of the Missouri Farm Bureau Federation. He became a member of the national legislative committee of the nationally organized American Farm Bureau Federation. He became then the Washington legislative spokesman of the Federation. He became also, by a sort of common consent and acceptance, the spearhead of the whole phalanx of agricultural legislative spokesmen in the Capital City.

It is in this latter capacity that he displays his astonishing composure in the most astonishing degree.

HE LEARNS that the organized fruit farmers desire a duty on bananas in order to stimulate the domestic consumption of—for instance—apples. Does he flinch? He does not. As he looks at it, the fruit farmers and the grain farmers and the cattle farmers and the vegetable farmers must hang together or

hang separately. All must be for the desired duties of each, and each will profit by the acquired duties of all.

SERENE, unfluttered, imperturbable, he remarks to the Senate's Finance Committee:

"We have a long list of articles which are called, in our farm circles, substitute products for our home-grown American products. Notable among these are bananas."

Deprecatingly Senator Smoot intervenes to hope:

"You are not going to take much time on bananas, are you?"

Inflexibly, and with just a tinge of irony, Mr. Gray responds:

"I hope not."

He then proceeds to disclose the following stunning scientific dietetic fact:

"Bananas compete with potatoes, wheat, corn, rice and some vegetables. This is because they are a carbohydrate food, very largely starch. They are not, as some of their proponents say they are, the cheapest food in the world. There are many of our home-grown American products that are just as cheap, and some that are much cheaper, per calory value."

Having thus apprised his senatorial auditors that they will be able to satisfy their passion for calories more economically out of a potato than out of a banana, Mr. Gray announces his proposed banana duty. It is 75 cents a bunch. This would work out, Mr. Gray calculates, to approximately one penny per individual banana. It would also work out, various Senators calculate, to the equivalent of approximately 100 per cent *ad valorem* wholesale.

A 100 per cent duty—even in these days—is a fairly altitudinous duty. Mr. Gray, however, is ready with its justification. He appeals immediately in the name of a sacred word. It is the word

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"parity." We all know that farmers must be put on a "parity" with manufacturers. Mr. Gray now stretches the concept and the vocabulary of "parity" to international affairs. He concludes: "Our effort is to put the American producer of fruits and vegetables on a parity with the producer of bananas in Central America."

I instantly enter in my notes:

"Add Mr. Gray on bananas to Mr. Gray on tractors, and see what you get!"

For I had just listened to Mr. Gray on tractors.

I HAD also listened, however, to Matthew Woll, of the American Federation of Labor; and I must interpose Mr. Woll before proceeding with Mr. Gray.

Mr. Woll was quite interested in tractors. He had a reason which will presently appear.

Mr. Woll, besides being a vice president of the American Federation of Labor, is chairman of an organization called America's Wage Earners' Protective Conference. This consists of numerous trade unions banded together to have representation in Washington on the subject of the tariff.

It has M. J. Flynn for its executive secretary; and Mr. Flynn is always in attendance upon tariff hearings and always on watch for menaces and advantages to labor interests. He had much to do with the persuasive processes through which in this tariff bill a duty was placed on shoes.

Mr. Woll, as Mr. Flynn's great chief, has appeared before the Senate Finance Committee on the subject of the tariff on great occasions. His special eloquence and his special emphasis have been dedicated lately to an industrial development which Mr. Woll views with alarm and which he envisages as including the problem of tractors.

Mr. Woll sees American capital journeying abroad in loans, but not merely in loans. He sees it journeying abroad to create factories retained in direct and undivided American ownership. He sees American manufacturers establishing branch plants abroad. He sees them operating those foreign branch plants at low foreign wage costs.

He sees them importing goods into the United States at prices which readily undersell the American market and which threaten to deprive American wage earners of certain of their livelihoods.

"HENRY FORD," says Mr. Woll, "has stopped making his tractors in

America and is making them in Cork, Ireland. He intends to manufacture all his parts there and import them to the United States duty free as agricultural implements. He has many other plants in Europe. He hence wishes to place automobiles also on the free list. The deduction is clear."

The deduction, as Mr. Woll looks at it, is that we soon shall see and are even now seeing a lot of American protectionist manufacturers changing horrifically into free traders. This prospect Mr. Woll, as a staunch and absolute protectionist, detests and denounces.

Mr. Woll, with virtually all of vocal American organized labor behind him, demands a protective system comprehensive and complete. Let the manufacturers and the wage-earners be protected. Let the farmers likewise be protected. On that latter point Mr. Woll has been peculiarly explicit. He has told the Senate Finance Committee that he eagerly accepts the new higher duties on, for instance, milk and cream. He has said:

"Although they mean an increase in the cost of living for wage-earners, I think it is far better that the American people meet that increased cost of living and safeguard the American market than it is to keep a lower cost of living and by imports destroy the employment of Americans."

That statement should have touched the appreciative sensibilities of Chester Gray. Mr. Woll was quite willing to let the tariff on cream get raised as it has been raised, in this present tariff bill, from a level of 20 cents a gallon to a level of 56.6 cents a gallon.

In return he wished only similar courtesies to the products of wage-earners. In particular, and for especial illustration, he wished to see good, authentic tariff duties laid upon industrial products imported by Americans from their own American-owned plants abroad—such as, for instance, tractors.

It is painful to recite the sort of reciprocity exhibited toward Mr. Woll by Mr. Gray.

MR. GRAY was appearing before the Senate Finance Committee on that part of the tariff known as the free list. Tractors have been on the free list. The principle has been that things produced by the farmer should be dutiable but that things used by the farmer for farming should be free.

What, then, did the intelligence and the influence of Mr. Gray display to this listener-in on the point of tractors? Mr. Gray's words were these:

"Referring to agricultural implements, let me briefly state that we request that they be continued on the free list. They are one of the groups of commodities that we want on the free list. They are not coming in very much at the present time but we notice that American capital is going abroad.

"Current reports have it that one of our big tractor manufacturers is now establishing himself in a Western European nation to supply not only the Western European markets for tractors but the American market as well. We farmers necessarily must look to buying our supplies as cheaply as possible. If our American capital is going abroad to make agricultural implements the position of those implements on the free list is likely to be of great interest to us, if continued substantially as in the Tariff Law of 1922."

THUS, then, as our loftiest agricultural tariff spokesman analyzes the matter, our farmers should have two nicely interrelated things:

1. Bananas dutiable, in order "to put the American producer of fruits and vegetables on a parity with the producer of bananas in Central America."
2. Tractors free, in order "to give our farmers the benefit of the lack of parity between the wages of the workingmen of the United States and the wages of the workingmen of Ireland."

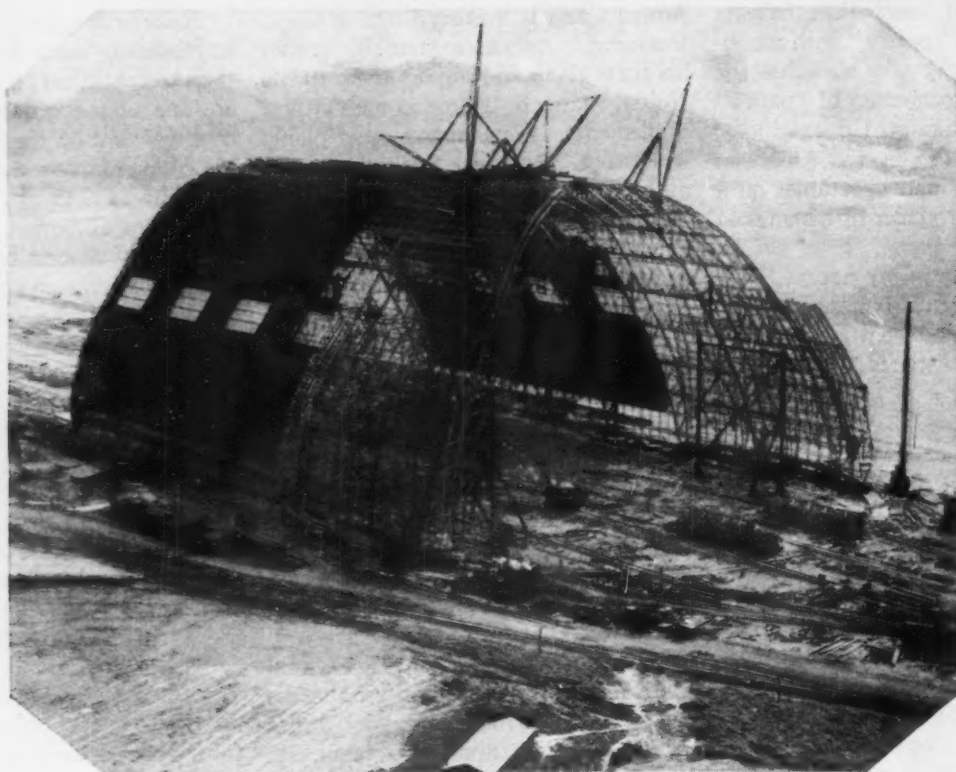
I suggest those two propositions as the first two planks in the platform of that ever-impending goblin and phantom in American politics, a great powerful national Farmer-Labor Party! I also most seriously assert the following thesis:

If a great, powerful national Farmer-Labor Party were thinkable, this present tariff struggle will put a full stop to the thought. Will wage-earners of Lynn, Mass., drink milk on which there is to be a duty of equivalently 30 per cent and then listen with joy to every agricultural Senator from the West excoriating the proposed duty of 20 per cent on the shoes which the wage-earners of Lynn manufacture? A hundred such contradictions between the tariff policies of agriculture and the tariff policies of labor could now be recounted.

If they continue unharmonized, there presently will be, in the cemetery of American projected third parties, a tombstone bearing (more or less) the following inscription:

Little Farmer-Labor
Born of Robert Marion La Follette
Died of a Complication of
Gray, Woll, Bananas and Tractors

—W. H.



INTERNATIONAL NEWS PHOTOS, INC., N. Y.

The half-completed hangar at Akron, showing two of the unique 800-ton doors, which will be mounted on wheels, under construction

What's Ahead for the Dirigible?

By P. W. LITCHFIELD

President, The Goodyear Tire & Rubber Company

COMMERCIAL lighter-than-air transportation is just around the corner and will soon occupy a definite place in our national economic scheme.

Safety, speed, comfort, and convenience will be outstanding in the commercial airship. The passenger state-rooms will be comparable to those of the best ocean liners. A promenade deck will allow passengers to walk for exercise or to obtain a view below. There will be a dining salon, lounges and smoking rooms, and radio will flash news to the ship from shore stations.

Within a comparatively few years, I predict, the business man will be able to step into one of these air leviathans at New York on Saturday morning, arrive in London on Monday morning, transact business until Friday morning and allowing an extra day for the return trip because of prevailing westerly winds, be in New York again the following Mon-

day morning. He will have accomplished a round trip to Europe with four days for business in little more than the time usually required to make a one-way crossing by steamship.

Or, he will be able to leave the Pacific Coast and arrive in Honolulu in less than 36 hours. But we are further along than the mere making of prophecies.

Largest in the world

LAST October the United States Navy awarded a contract to the Goodyear-Zeppelin Corporation at Akron for two airships of 6,500,000 cubic feet capacity. These ships will be the largest in the world and of a type easily adapted to commercial use.

Steel work is rapidly going up on the factory and dock in which they will be built. The dock will be the largest single-span building in the world—1,175 feet long, 325 feet wide at the base, and

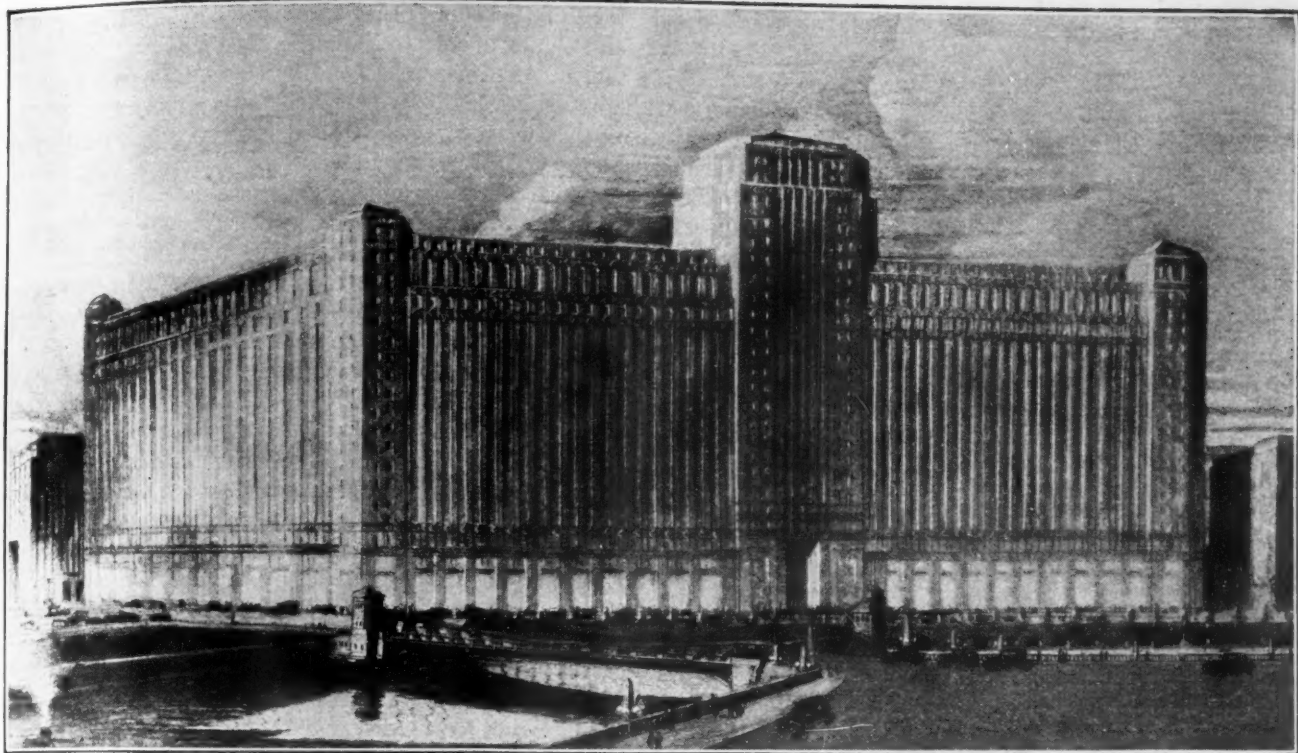
211 feet high. When one fourth of the structure is completed and roofed, work on the first section of one of the ships will begin.

Many unusual engineering problems were encountered in designing the dock. After exhaustive wind-tunnel tests, it was discovered that a semi-ellipsoid or egg-shaped structure offered less wind resistance and set up fewer eddies and currents that might interfere with docking the ship.

Even the doors will carry out this design. They will be shaped like one quarter of an orange peel, and operated by electric motors.

The size of the ships makes possible many refinements of design. Instead of one longitudinal keel there will be three, greatly increasing the strength of the structures.

The principal dimensions and capacities of three representative craft of the Zeppelin type, the *Los Angeles*, the *Graf*



The Merchandise Mart, Chicago. Graham, Anderson, Probst & White, Architects. John Griffiths & Son Company, Builders. Gray and Variegated Indiana Limestone from the quarries of Indiana Limestone Company to be used for the exterior of this huge structure.

"The World's Largest Building" will be faced with Indiana Limestone

THE extensive use of Indiana Limestone in Chicago's new Merchandise Mart is proof again that the business world is keenly alive to the profit advantages of using this beautiful, light-colored natural stone in commercial building.

Indiana Limestone buildings, particularly those with all-stone exteriors, have proved from the standpoint of rentability, low upkeep cost and all-around investment value decidedly above the general advantage.

Can you afford to lose the profit advantages of lasting beauty and

low upkeep cost which are gained through building of Indiana Limestone? No matter how large or how small a structure you are planning, get an estimate on its cost in Indiana Limestone. You may be agreeably surprised at the small difference in cost as compared with that of a less satisfactory material. We will gladly furnish you an estimate free of charge.

A booklet showing modern types of Indiana Limestone buildings and giving you complete information regarding Indiana Limestone will be mailed on request. Address Box 740, Service Bureau, Bedford, Indiana.

3 Reasons

for the swing to Indiana Limestone as given by leading building authorities

- 1 Indiana Limestone buildings yield high income because they attract tenants. People like to live and work in handsome structures built of this natural stone.
- 2 Walls faced with Indiana Limestone rarely need cleaning, caulking or repairs. Exterior upkeep cost is lowest of any.
- 3 Bankers and mortgage firms regard the permanency of Indiana Limestone with favor. Thus builders are often able to secure better terms when they build of Indiana Limestone.

INDIANA LIMESTONE COMPANY
General Offices: BEDFORD, INDIANA Executive Offices: TRIBUNE TOWER, CHICAGO

When writing to INDIANA LIMESTONE COMPANY please mention Nation's Business

Zeppelin, and one of the new Navy ships, are shown in the following table:

	<i>Los Angeles</i>	<i>Graf Zeppelin</i>	<i>ZRS-4</i>
Nominal gas volume.....	2,470,000 cubic ft.	3,700,000	6,500,000
Length overall.....	658.3 feet	776	785
Maximum diameter.....	90.7 feet	100	132.9
Height overall.....	104.4 feet	113	146.5
Gross lift.....	153,000 pounds	258,000	403,000
Useful lift.....	60,000 pounds		182,000
Number of engines.....	5	5	8
Total horsepower.....	2,000	2,750	4,480
Maximum speed.....	63.5 knots	69.4	72.8
Range without refueling at 50 knots cruising speed	3,500 miles	5,360	9,180

It is particularly striking that the new airships will be able to go more than two and a half times as far as the *Los Angeles* without refueling. Since the function of naval airships is long-distance scouting at sea, this great range is of the utmost value.

Facilitates repairs in flight

A NOTABLE improvement will be the provision of the three longitudinal corridors and passageways completely around the circumference of each main transverse frame, giving access to all parts of the ship. Thus inspection and repairs can be made in flight with a facility never before possible.

Nothing is more important in a large airship than provision of adequate quarters for officers and men, including comfortable sleeping and dining rooms, well warmed and ventilated, and ample cooking facilities. In the design of the new airships, particular attention has been given to the comfort of the crews. Being naval vessels, they will have no luxurious passenger accommodations; but in habitability for their crews they will compare favorably with cruisers and destroyers.

Probably the most outstanding novelty in construction will be the complete airplane hangars within the hulls, big

enough to house five scouting airplanes. These planes may be raised or lowered on a trapeze through large sliding doors in the bottom of the hangar. Airplanes intended for use with the airships will have special hooks above their wings for attaching to the trapeze.

Externally the new airships will appear less slender than the *Los Angeles*. The hulls will have no external cars containing the engines. The engines and the engineers will be inside, reducing the wind resistance and increasing safety. This is one of the lessons learned from the loss of the *Shenandoah*. Nobody who remained within her hull was injured.

The propellers, supported on brackets from the hulls, will be driven by transverse shafts and bevel gears. An important and interesting feature is that the propeller axes can be turned into vertical position to exert up or down thrust to assist in taking off or landing.

The hulls of the new ships, like their predecessors, will be duraluminum longitudinal and transverse girders, with steel wire bracing. The girders will be of a new type, stronger and more efficient than hitherto used. The covering will be the characteristic aluminized fabric. The buoyant helium for each ship will be contained in 11 separate cells. The strength of the hulls will be sufficient for the ships to weather storm or squall conditions approximately twice as severe as the *Los Angeles* could successfully encounter.

Although the Germans developed the rigid airship and Count Zeppelin long dreamed of trans-oceanic passenger routes with his ships, the British were the first actually to make an ocean crossing, when the *R-34* made the jour-

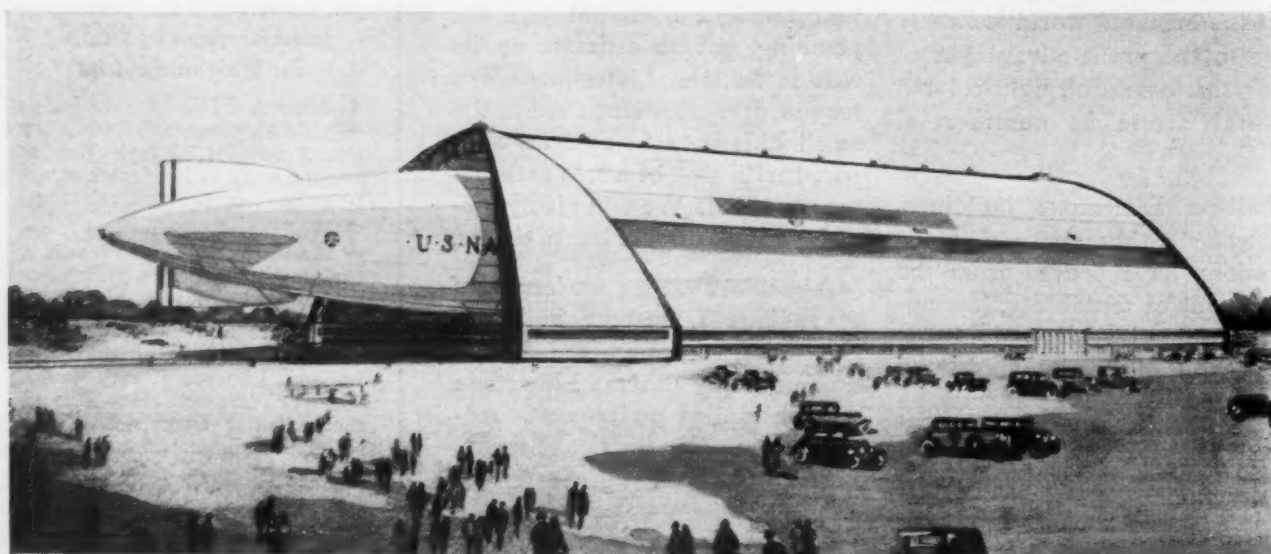
ney with only its crew on board. Two other rigid-type airships have crossed the Atlantic, the *ZRS-3*, later christened the *Los Angeles*, and the *Graf Zeppelin*.

The *ZRS-3* was built in Germany for the United States Navy as a replacement ship for two originally allotted under the peace conditions, but destroyed by their crews in a flare of misguided patriotism. It made a successful voyage over the Atlantic and was delivered to the Navy at Lakehurst, where a huge dock had been built to receive it. Since being operated by the Navy, the *Los Angeles* has performed many training missions and has aided in demonstrating the capability of rigid airships for long-distance travel.

The first truly commercial flight across the Atlantic was made in October, 1928, by the *Graf Zeppelin*, under command of Dr. Hugo Eckener. On this flight the *Graf*, which is the largest rigid ship yet built carried passengers and express in addition to its crew. Although weather conditions were far from ideal, the outward voyage was made in less time than the fastest steamship record. The return trip, with favorable winds helping, was made in 69 hours, and on a more recent voyage the *Graf* made even better time.

Larger ships are needed

ALL of these flights indicated the superiority of lighter-than-air craft for long-distance over water travel. None of the three ships was as large as engineers believe necessary for efficient operation, however. It is agreed that a ship of 5,000,000 cubic feet or more capacity is necessary for successful and economic flying of passengers on regular




How the Goodyear-Zeppelin hangar will appear completed. It will be 1,200 feet long, 360 wide and 200 high—one of the world's largest buildings, with a floor large enough to house six miles of freight cars

COURTESY GOODYEAR-ZEPPELIN CORP.

Now!

Richness and elegance now
mark many American products
for American consumption. Ultra
among leathers is snake skin. Articles
of it here illustrate the fitness of roto=
gravure to present, through per=
fect reproductions of photo=
graphs, these finer things.

Kimberly-Clark Corporation
Manufacturers of Rotoplate, Hyloplate, Primeplate, Serroplate.
Perfect papers for Rotogravure Printing.



There's a Sequel

To the reception accorded the postman there is a sequel—the treatment given *your* mailing piece. You have a few seconds in which to gain attention for minutes. Isn't it a picture that gains those eventful seconds? Then rotogravure is the process by which to prepare your message. Rotogravure reproduces pictures perfectly. And there is among the rotogravure papers made by Kimberly-Clark one that, for any purpose, will give you satisfying results. Rotogravure Development Department, Kimberly-Clark Corporation, 208 South LaSalle St., Chicago, welcomes questions on rotogravure. Send them yours.

Kimberly-Clark Corporation

Established 1872

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New York:
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510 West 6th Street

schedule. The German engineers are in accord with this idea, but the size of their largest airship dock dictated the size of the *Graf Zeppelin*.

At present, Great Britain is building two 5,000,000 cubic-foot ships for commercial service. Great secrecy has surrounded the building of the ships, and definite details of their construction have not been made public. It is known, however, that they are to be used in great empire-linking passenger routes, presumably to India, Australia, and Canada.

The story of lighter-than-air craft is not complete without a brief sketch of nonrigid airships, the little dirigibles popularly called "blimps." The "blimps" got this nickname during the World War from the designation "B-limp," a term used by the British to differentiate them from the rigid ships. The non-rigids have no internal support for the bag at all, depending entirely on the pressure of the inflating gas. A small ballonnet filled with air compensates for pressure changes. As the gas expands, it forces air from the ballonnet. As it contracts, more air is forced into the ballonnet by the slip streams of the propellers.

Proved useful during War

THE little ships had a wide usefulness during the World War in reconnaissance, observation, aerial photography, direction of artillery fire, and spotting submarines and mine areas. They were well fitted for this work, for the motors may be throttled down until the forward speed just equals the opposing speed of the wind, permitting them to hover in one spot for long periods, whereas heavier-than-air craft must keep moving at high speed in order to keep aloft.

The nonrigid, too, was a highly mobile unit as it could be inflated and deflated in the open and could be taken down and transported across country and set up again behind an improvised windbreak. It could be towed behind a warship or an Army truck. British non-rigids flew 2,000,000 miles in the last year of the war.

America's operations with nonrigids date back to the exploits of Maj. Thomas Baldwin, Roy Knabenshue, Melvin Vaniman, and other experimenters. But use of the small ships by the Army and Navy did not begin until the War.

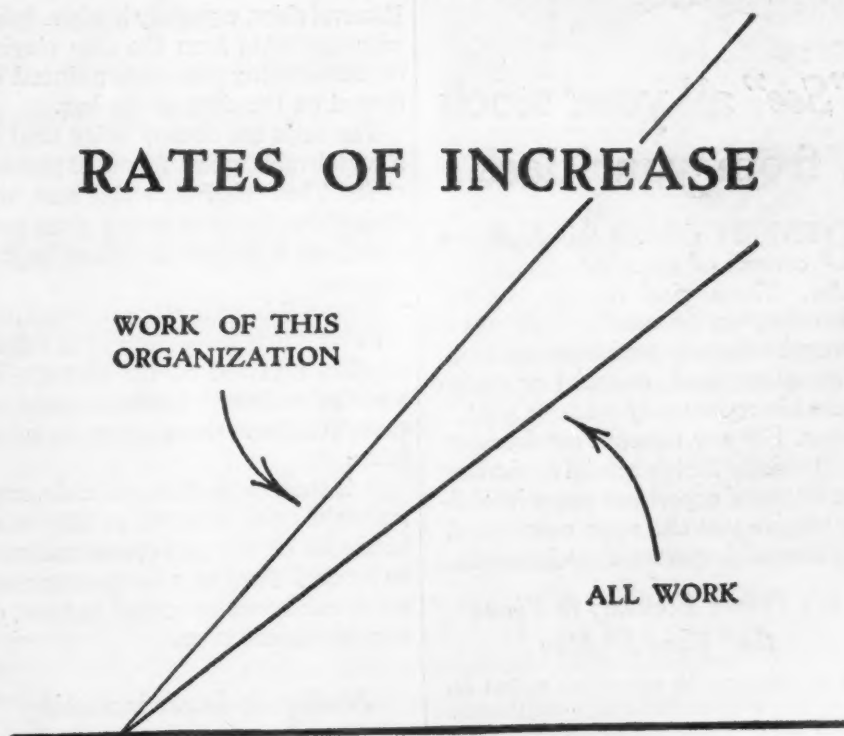
During the war period nearly 100 of these nonrigids were built, most of them being used in training work, though several were used in coast defense

POWER CONSTRUCTION

The generating capacity of the country's power stations has doubled in the last seven years.

The capacity of stations designed and built by this organization has doubled in less than five years.

RATES OF INCREASE



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When writing to STONE & WEBSTER ENGINEERING CORPORATION please mention Nation's Business



The "Y and E" trade mark is the symbol of 49 years' leadership in the office equipment industry. It is the mark of quality—high standards of workmanship—integrity of purpose, and constant service to customers.



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BENEFIT through this finger-tip control of stock purchases and sales. These vital records prevent over-buying or costly shortages. Every business or profession can keep a complete stock, material or equipment history on ready-made "Y and E" forms. For any unusual requirement we'll quickly design special forms. Let our 49 years' experience prove its ability to give you the most economical and accessible system of stock records.

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Your office can be refurnished at less expense, with more efficient equipment, through the "Y and E" representative. Phone or write the "Y and E" store in your city or write us. A specialist will be placed at your service promptly and without obligation.

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OFFICE EQUIPMENT

STEEL AND WOOD FILES • STEEL SHELVING • DESKS • SAFES • OFFICE SYSTEMS AND SUPPLIES • BANK AND LIBRARY EQUIPMENT •

When writing please mention Nation's Business

work. The Goodyear Company built its first commercial nonrigid in 1920, getting considerable construction and operating experience from this ship and from the four-passenger ship *Pilgrim*, built in 1926. Within the present year this enterprise has been expanded into a fleet of five ships—the original *Pilgrim*, now used for training purposes at Akron; the *Volunteer*, flying on the Pacific Coast out of Los Angeles; the *Mayflower*, on the Atlantic Coast and New England, and the *Puritan*, the *Vigilant*, and the *Defender*, an eight-passenger ship, using the base at Akron. The ships are named after the American cup defenders in international yachting.

Many uses for ships

THERE are several fields of usefulness for the small ships. Aerial advertising will immediately suggest itself. Indeed the Germans employed nonrigids for this purpose before the war, using small Parseval ships, especially in night flying with spotlights from the ship playing on advertising messages painted or draped on the sides of the bag.

The ships are already being used to a considerable extent for aerial photography. Their relatively stable base, and their ability to hover over a given spot give them a natural advantage in this respect.

They will become attractive sporting vehicles, I believe—especially to inland dwellers deprived of the pleasure of yachting and motor boating enjoyed by those living near the ocean or the larger lakes.

It is conceivable that golf clubs may maintain small airships, as they may be landed on any golf course and may be moored there to a temporary mast which can be set up in half an hour, or to a permanent mast.

Airship docks are increasing

AT present there are few airship docks or hangars in the country except those belonging to the Government, but within the present year docks large enough for the nonrigids have been built at Los Angeles; at Gadsden, Ala.; and at South Dartmouth, Mass., on the estate of Col. E. H. R. Greene. Others are to be built in the South, and several near the larger cities of the North.

The ownership of the small ships will increase as docks are provided, just as operation of airplanes increased with the multiplication of flying fields.

Looking ahead, one may see also the possibility of the little airships providing a fast and flexible shuttle service

for the air mail by operating between the air-mail fields and the post offices. The fields are usually located at time consuming distances from the post offices and business districts of large cities.

The little ships can alight on buildings having sufficiently large and unobstructed roofs, or they could land the mail sacks from ropes and draw up the outgoing mail while floating motionless above the building. Such a mail delivery was made recently in Akron.

Even a cursory study from the air of the roofs of downtown buildings indicates how useful the architects have found them for the location of pent houses, water tanks, sky lights, ventilator shafts, and elevator and power houses.

Already, however, there may be observed a tendency to keep a space clear on the roofs of metropolitan buildings for other than strictly service uses, and the ability of the helium-filled, lighter-than-air ship to land in a small area may expedite this trend.

A constantly changing field

AERONAUTICS is teaching America that nothing is static, that new factors are continually coming into play, that what was incontrovertible truth yesterday may be entirely altered by the findings of today.

America with its exclusive possession of helium gas, with its great distances to invite the economies of flight, with its financial resources, its engineering genius, its possession of valuable patents and an accumulation of engineering and construction experience should have an advantage over any other country in the world in applying aeronautic potentialities to the national commerce and national defense.

How fully and how quickly America uses the potentialities of both divisions of aeronautics depends largely on public interest and the alertness of the national consciousness.

Lindbergh's flight crystallized universal interest in the development of heavier-than-air transportation. The operations of the *Graf Zeppelin*, the *Los Angeles*, and the new Navy ships will undoubtedly have a similar effect in behalf of lighter-than-air craft.

The future has many interesting things in store for America in the development of lighter-than-air transportation in the commercial and military fields.

The industry is still young, but I am confident that it will write an important chapter in the annals of our national progress.



**HOW EGYPTIAN LACQUERS
ARE SOLVING CERTAIN
PROBLEMS OF INDUSTRY**

When do colors *match*?

The brilliant array of new tints in motor cars has raised some tricky questions. For instance: I buy a new scarlet roadster. It has an excellent lacquer finish but after six months it is very slightly lighter in shade. I can't see the difference, but it's there.

Now I have a slight accident—dent a fender. The repair man bumps it out to shape, and some lacquer gets knocked off. It calls for about a teaspoonful of lacquer—but *exactly* the right color!

Getting that color *right* has been driving paintshops crazy lately. The original color won't do, even if it is specially ordered. The car is now a *different* color. A special color-mixing job has to be done. And no formula or easy "system" will do it.

Egyptian Lacquers, with their long experience making auto lacquer-enamels, have tackled this job of furnishing the refinisher with a means of really *matching* colors. He has to learn.

It isn't an easy task. It calls for honest pains and patience as well as good uniform, dependable materials. Egyptian is encouraging the former and furnishing the latter.

You might be interested in the book "Color-matching" which we've gotten out as part of this campaign. We'll be glad to send it to you. It indicates how thoroughly we go into *any* problem of finishing, no matter what industry it affects. Perhaps there are problems in *your* business where a new point of view on finishes might help you. If so, please call upon us or our branches at any time. No obligation, of course.

THE EGYPTIAN LACQUER MFG. CO., INC., 90 West Street, New York. Completely equipped branches in Atlanta, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Dallas, Detroit, Kansas City, Los Angeles, Montreal, Philadelphia, Portland, Ore., Salt Lake City, San Francisco, Seattle, Spokane, St. Louis.

**EGYPTIAN
LACQUERS**

When writing to THE EGYPTIAN LACQUER MFG. CO. please mention Nation's Business

If propaganda is powerful enough to start a war it surely will be able to make a man change the style of his clothes



If Men Become Style Conscious

By GIFFORD R. HART

CARTOONS BY J. D. IRWIN

THIS COUNTRY pays more to smoke, chew and snuff than it does to clothe its men. Nevertheless, men's clothing stands sixteenth in importance among American industries, and presents a yearly bill of more than a billion dollars.

The trend of any billion dollar business is worth a passing glance for it's big enough to affect economically all business and all individuals. The men's clothing industry, in addition, influences us in a particularly intimate manner because we spend our lives enveloped in its products, to the inevitable detriment or benefit of our health, appearance, comfort, artistic sensibilities, social standing, business success—and sense of humor.

Women's clothing provides endless conversation for both sexes. Men's clothing pro-

vides but a passing wisecrack. The average man goes right on being average, which nowadays means that he buys annually 1.57 suits, 1.8 pairs of shoes, and less than two hats.

However, this billion dollar enterprise is today militant, aggressive, eager; its ambition is to become as important to the male as its sister industry is to the female.

Scratch any maker or seller of men's wear, and you'll find an earnest desire to make males "style conscious"; bigger buyers of things to wear. This wish has become a well defined movement, owing its strength and importance principally to the fact that nearly every branch of the industry is making some effort to promote it.

So far, this agitation is characterized most noticeably by the campaign for color har-

mony, by advertising announcements that the merchandise featured is identical in style with similar goods worn by various groups of notably well dressed men, and by perfectly bald statements that no man can be properly clad without two dozen thus and so's.

Trend is in right way

SOME OF these efforts are a little more convulsing than convincing. But at least they are efforts and, taken all together may succeed in substituting obsolescence for the slower wearing-out process in vogue today.

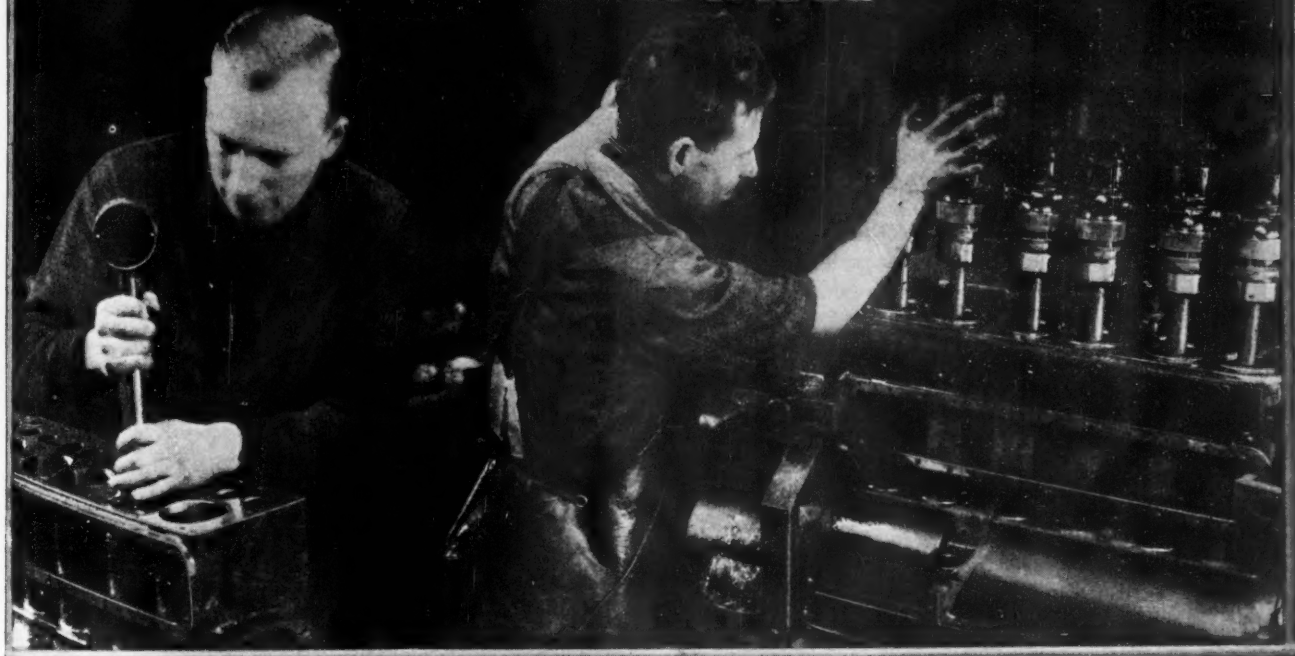
There seems to be little or no doubt in the industry's mind that affairs are heading in the right direction, and that when men become as style-sophisticated as women, happy days will be here for all.

It is hardly to be questioned that such a condition would result in greater clothes expenditures by masculinity in general. But one might very reasonably raise a question as to how greatly this





"ANYTHING SHORT OF MY BEST IS
NOT ACCEPTABLE"



BACK OF THE SATISFACTION OF OLDSMOBILE OWNERS STANDS THE SATISFACTION OF OLDSMOBILE WORKERS IN A JOB WELL DONE

After all, what is a motor car? Is it merely so much wood and metal . . . so many gears and cotter-pins?

Or is it, as Oldsmobile workers believe, something more . . . the culmination of the skill and ideals of the men who build it, from the first engineering sketch through to the final check-up and inspection? To express this spirit one of these workers—a veteran milling machine operator in the Oldsmobile factory—coined the phrase, "Anything short of my best is not acceptable." And this charge of responsibility has been adopted by his fellow workers throughout the organization, as their plant slogan.

Oldsmobile engineers are constantly at work—proving and re-proving the product they design—testing the merit of new ideas—ever seeking the better thing. In addition, they call upon the vast resources of the General Motors Proving Ground and Research Laboratories. Always, they have in mind . . . "Anything short of my best is not acceptable."

Skilled operators, unerringly guiding great machines—efficient workmen, accurately fitting Oldsmobiles together, part by part—keen-eyed inspectors rigidly checking the work of the producers—each man, whatever his job, from the highest executive to the new-

est shop employee, follows the same rule . . . "Anything short of my best is not acceptable."

The result is a standard of precision, a degree of accuracy, worthy of the finest cars.

The satisfaction of Oldsmobile workers in a job well done is largely responsible for the thorough satisfaction Oldsmobile owners find in their cars. Oldsmobile owners are loyal, because they know that Oldsmobile is loyal to its owners, not only in the matter of fine workmanship but in all the details of manufacture—in the quality of materials, in the progressiveness of Oldsmobile engineering, and in the generous measure of Oldsmobile value.

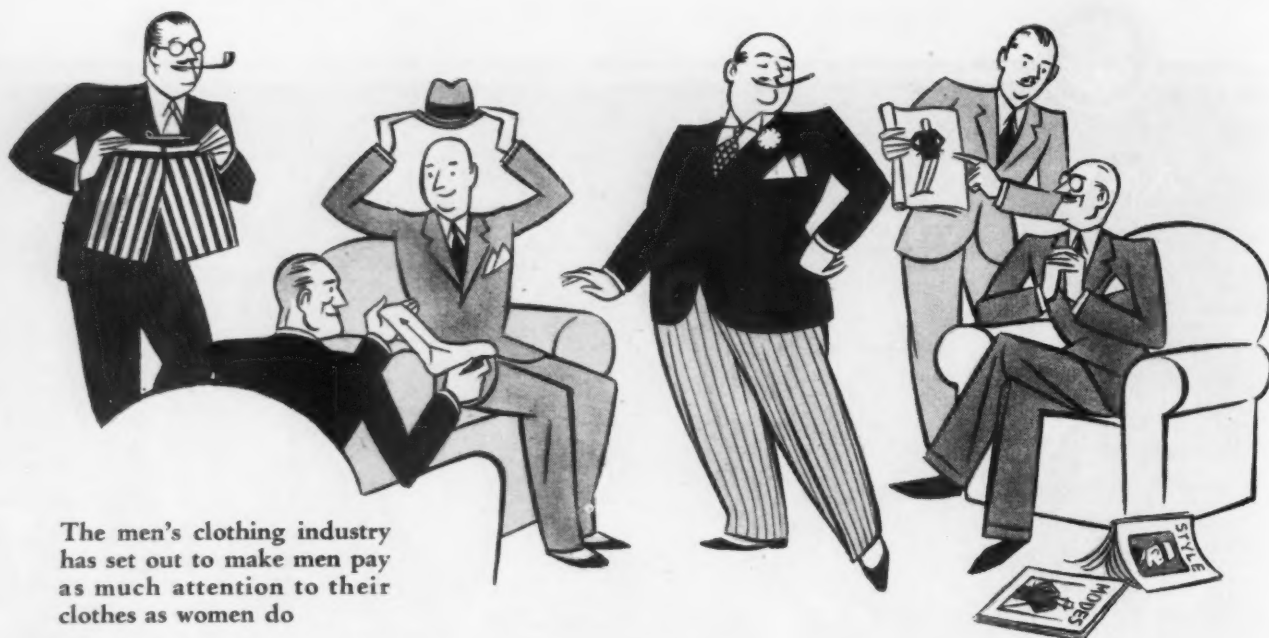
This owner enthusiasm is reflected in Oldsmobile's tremendous and ever-increasing success. Month after month, Oldsmobile sales continue to grow. Time after time, new owners write, "My neighbor praised his Oldsmobile—and I find that everything he said is true."

Oldsmobile respects this public confidence. And, in return, Oldsmobile promises the public, in behalf of every Oldsmobile worker, to maintain steadfast allegiance to the Oldsmobile pledge: "Anything short of my best is not acceptable."

OLDSMOBILE

PRODUCT OF GENERAL MOTORS

When buying an OLDSMOBILE please mention Nation's Business to the dealer



The men's clothing industry has set out to make men pay as much attention to their clothes as women do

if-and-when millennium will profit those very manufacturers who are now its most ardent promoters. It is a harmless enough diversion to play style sonatas about fundamentally staple merchandise, but it is quite another matter to finger the keys when a single slip may mean the loss of a year's business.

However loudly today's advertising shouts style, the quiet and obstinate fact remains that about 99 per cent of all men's wearables are essentially staple in character. Probably more than half the men in the country are scarcely aware of the yearly changes in the design of their suits. They would (and do) buy last year's model about as readily as this year's, providing they like the

price and have no objection to the fabric. How many men, for instance, know whether the peaked or the notched lapel is the more stylish at the moment? How many know whether the collar they take from their drawer in the morning is, strictly speaking, obsolete? And, if they do know, how many care enough to worry about it? You see the idea.

Changes are conservative

FABRICS, to the layman, vary as little from year to year as profanity. Your hat looks much like the hat you wore ten years ago. Shoes ditto; neckwear ditto; shirts, collars and socks may be a trifle more colorful, but are otherwise ditto.

There have been changes, of course, very obvious to those who concern themselves with details, but nothing marked, and certainly nothing to compare with the sweeping revolutions which have occurred in such fields as women's clothing, motor cars, architecture, decoration, literature, aviation, science and, in general, the rest of the things we use and the world we live in.

Obviously, men's suits, coats, hats or what nots, in their present form, are decidedly staple, whether or not their annual changes—too minor to suggest obsolescence to the great mass of men—are capitalized with a style appeal.

Those most familiar with our business terrain have often pointed out that a great gulch separates the staple business from the strictly style business. On the staple side there is mass production, mass selling, chain stores, the machine, and relative stability. On the other, individualism, feast or famine, faith, hope, and sometimes a little charity. If the men's clothing industry actually accomplishes what it has avowedly set out to do, it will eventually have to cross this gulch. And unless all signs fail, it will be a case of "the bigger they are the harder they fall." Certainly it is difficult to picture any organization continuing to stake millions of dollars in capital, plant, inventory, personnel and advertising upon a style market that might change its whims with disastrous rapidity.

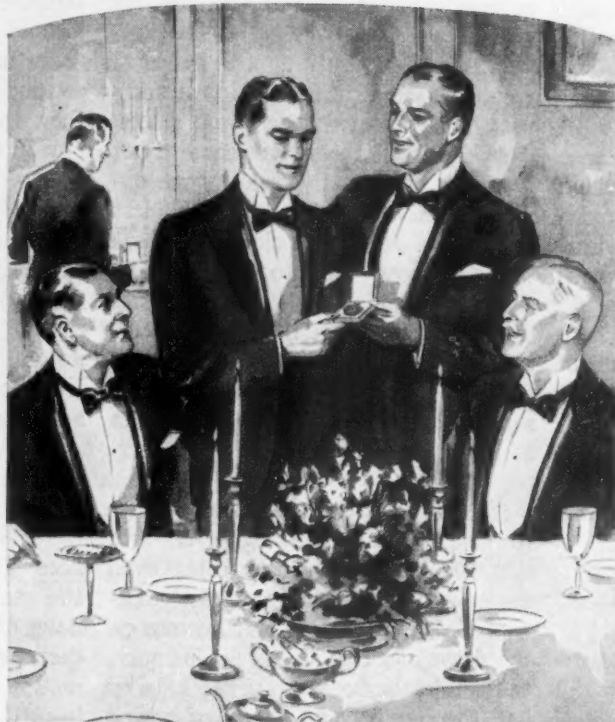
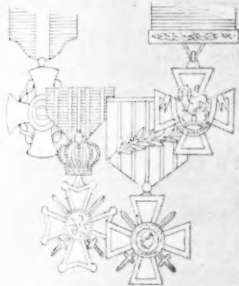
At present the large clothing manufacturer does not suffer greatly during any given year because of style mistakes. He can order fabrics six months in advance, make up



Ask any committee of artists their opinions of the intrinsic beauty of a derby hat and high, stiff collar

*Among those who
have been presented with the
Croix de Guerre
for American Achievement*

GEN. LINCOLN C. ANDREWS
ADMIRAL W. S. BENSON
MR. E. G. BURKAM
HON. OSCAR E. CARLSTROM
HON. C. M. CHAMBERS
HON. JAMES M. COX
HON. JOHN W. DAVIS
HON. RICHARD P. ERNST
HON. W. J. FIELDS
MR. CLAUDE H. FOSTER



MR. J. B. GRAHAM
JUSTICE SAMUEL J. HARRIS
HON. W. B. HARRISON
MR. EDGAR WATSON HOWE
COL. CHAS. A. LINDBERGH
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For business heroes too...

The Croix de Guerre for American Achievement

As an executive, you know the value of an award for faithful service. How it quickens in every man that urge to give his *best* to the job!

Even ordinary awards serve their purpose to some extent. They stimulate ambition, effort, and loyalty throughout the organization.

But how much more effective is a publicly recognized award!

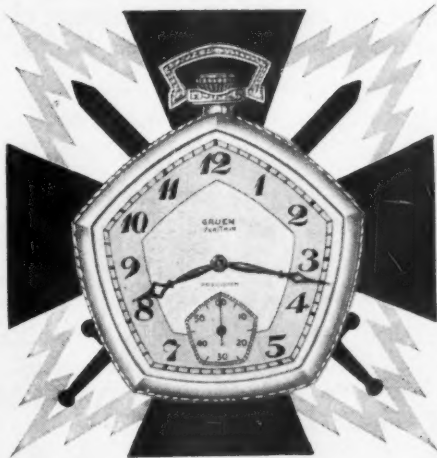
One that is widely known and readily identified for what it is—as a government decoration is known.

Today, for the first time in America, there is such an award—the Gruen Pentagon Watch.

A timepiece so frequently presented by individuals, groups, and business firms to honor successful men, that it has been justly called "*The Croix de Guerre for American Achievement*."

An award recognized everywhere, by its beautiful patented shape, as an emblem of merit! At the same time, a fine watch—traditional gift to men. A watch of unique beauty, of exceptional timekeeping qualities.

What more fitting and logical



presentation to your men of notable achievement? What more profitable

PRECISION

Trade Mark Reg.

Every Pentagon carries this GRUEN pledge mark, placed only upon watches of finer quality, accuracy and finish. Made only in the Precision workshop

*This emblem is displayed only
by jewelers of high business
character, qualified members
of the Gruen Guild*



investment in organization loyalty?

You will be interested to know more about "*The Croix de Guerre for American Achievement*," and how it offers the first really new and practical plan for honoring business heroes.

Your Gruen jeweler can show you this Pentagon watch, both in the VeriThin and Ultra-VeriThin models.

We will gladly send you his name and address together with industrial presentation plans including special inscription. Just mail the coupon below.

GRUEN WATCH MAKERS GUILD
TIME HILL, CINCINNATI, U. S. A.

Branches in various parts of the world

*Engaged in the art of making fine
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GRUEN WATCH MAKERS GUILD,
TIME HILL, CINCINNATI, OHIO.
Please send me details of Industrial Presentation for the Gruen Pentagon Watch, also name and address of the Gruen jeweler nearest me.

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When writing to GRUEN WATCH MAKERS GUILD please mention Nation's Business

200,000 suits in six or eight models, and successfully market them, barring any bad depression in general business.

Naturally the manufacturer takes every possible precaution against style errors. But the actual chances of serious error are negligible in a business guided with any reasonable degree of experience and common sense. There just isn't enough latitude in modern male plumage to go far wrong.

It would seem to the interested observer that this is a pleasant state of affairs.

The manufacturer and the retailer do a safe, comfortable business in staples, and exploit it in terms of style—a situation, one would say, in which all hands should be thoroughly happy.

Demoralizing style changes

BUT INSTEAD, the industry and the press that speaks for it yearn for the truly style-conscious male who will suddenly elect to wear velvet when manufacturers are loaded with woollens, who will demand silks when shirt factories are glutted with cottons, who will demoralize mass production and dethrone the very power that gave him style-birth.

A dire prophecy but not at all impossible. Such a condition—which is typical of the women's clothing business—has existed before; consider the customs and costumes of the past. Given the leisure, money and incentive, there is every reason why males should again become the colorful creatures that nature may have intended them to be, and as they are now in many parts of the world.

Wealth is common in America today. So is leisure of a sort. The men's wear industry is eagerly producing the third essential ingredient, incentive. If advertising and propaganda is powerful enough to send a nation to war, it is powerful enough to make a man change the style of his clothes.

Success, then, is already capering in the corridor, squinting maliciously around the doorpost. Probably the industry will take no alarm at this, will comfortably say to itself, "the situation is well under control—and we are doing the controlling. We will make men just as style-conscious as we want, and no more so."

Very good—if true. But every revolution in the history of the world, or the business world, has been "well under control" just before it succeeded.

There are straws in the wind which indicate that when man really becomes style-conscious he is going to do

at least some of the thinking and not wait for the manufacturer to do it all. The same forces that have brought greater beauty, utility and healthfulness to our homes, offices and stores, our women's clothes, even many of our machines, are eagerly awaiting an opportunity to take a hand with this last die-hard of all, men's clothing. These forces are not subject to the control of the clothing industry.

For years we have heard that men's clothes are drab, dismal, ugly and unhealthy. But this fact never affected sales. Today such things do affect sales as many a business knows to its deep regret.

If the industry causes men *en masse* to ponder their clothes deeply enough, it may find them considering things even more fundamental than the relative desirability of two versus four buttons on the sleeve of a coat. Such, for instance, as the intrinsic beauty of a black derby hat, the comfort and charm of a high stiff collar, the healthfulness of a thick woolen vest in August . . . or even the recent announcement that a London doctor has designed two hygienic suits, "with the object of minimizing the tyranny of trousers, starched shirts and choking collars."

Sports life, too, is having its effect. Men grow accustomed to wearing "occasional" garments of less conventional design and color; the dread of nonconformity is dulled. They become acquainted with the ease and comfort of clothing specifically designed for the

purpose to which it is put. A score of factors in the trends and cults of life today have opened men's minds on even so time-hallowed a subject as the things they wear.

Will the inevitable suggestions of change come, properly timed, closely geared to manufacturing possibility, from the clothing industry itself or will they develop from other sources, unexpectedly, upsettingly, in ways embarrassing to this great aggregation of capital and personnel?

If you want the answer, go to the head designer of any great clothing maker. Tell him that you don't think modern men's clothing is very beautiful.

"What?" he'll exclaim, "Then you've never seen a well tailored suit! Now here," lifting a coat, vest and pants from the rack, "examine this. Look at the hang of the trousers. Get those shoulders. See? Soft roll lapels. It's got symmetry, *lines*. Now that's what I call a beautiful suit."

Are men's clothes beautiful?

SHOW THE same garment to any important artist, and ask him his opinion as to the fittingness of this dark, tubular uniform as a garb for the lord of all creation.

Then go quietly home and draw your own conclusions.

Cast iron reindeer once had symmetry and lines. So did corsets. Even red plush furniture had a certain *something* about it. . . .



Men are growing accustomed to wearing comfortable garments in harmony with the occasion



of the REINFORCED CONCRETE DOCK Roll Call

THE day of property confiscation among nations is rapidly passing—likewise confiscation among business men. THE FERGUSON PATENT No. 1,089,405 on REINFORCED CONCRETE DOCKS has stood the test of five separate Federal Court decisions and every FERGUSON DOCK built is an outstanding example of superior strength, endurance and economy. The list of FERGUSON DOCK owners is rapidly increasing—six more dock owners within the last sixty days having seen the wisdom and economy of calling a halt on any further patent-dodging program. They, also, are now keeping step with the onward march of progress. Read the ROLL CALL.

Chicago & Northwestern Ry. Co.	Kelly Island Lime & Transport Co.	Canton Co. of Baltimore
Grasselli Chemical Co.	Bethlehem Steel Co.	City of St. Petersburg
Union Carbide Co.	Chester Shipbuilding & Dry Dock Co.	Gulf Refining Co.
Solvay Process Co.	Baltimore Dry Dock & Steamship Co.	City of Detroit
Winkworth Fuel & Supply Co.	Sun Shipbuilding Co.	Anaconda Copper Co.
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Michigan Northern Power Co.	Peerless-Egyptian Cement Co.	Stewart Sand Co. of Kansas City
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The M. A. Hanna Co.	A. J. Dupuis Co. of Detroit	Michigan Ammonia Works of Detroit
Detroit Iron and Steel Co.	Michigan Steel Castings Co.	Anderson-Clayton Co. of Houston
The Cleveland Cliffs Iron Co.	Petoskey Portland Cement Co.	Mapes & Ferdon, Ltd.
City of Cleveland	Standard Oil Co. of New Jersey	Nicholson Terminal & Dock Co.
C. & B. Navigation Co.	Wm. Cramp & Co.	Staten Island Shipbuilding Co.
D. & C. Navigation Co.	Havana Docks Corporation	Imperial Tobacco Co.
State of California	City of Norfolk	Consolidated G. & E. Co. of Baltimore
City of Houston, Texas	Pennsylvania Railroad Co.	Humble Oil Co.
		Wisconsin Steel Co.

THE DOCK & TERMINAL ENGINEERING COMPANY
Consulting Engineers
CLEVELAND OHIO
GAYLORD W. FEAGA, President

When writing to THE DOCK & TERMINAL ENGINEERING COMPANY please mention Nation's Business

Chicago's no parking rule speeds delivery of such loads as this, one of the largest girders ever hauled through the city



No Parking Delivers the Goods

By LYMAN ANSON

PUSSY wants a corner!" Thus—figuratively—cried out truck drivers with loads to deliver in Chicago's congested Loop district. But usually there was no "corner"—no vacant curb space nor alley where truck drivers could unload their merchandise promptly and economically.

In short, the problem of delivering goods to Loop consignees was no joke; or *was* a joke, depending on how one used the expression.

For years the Loop district had been slowly congealing as more and more thousands of people used it daily. A half-hour parking rule helped some. One hundred and forty-four special ordinances creating individual no-parking spaces helped further.

Yet the heart of Chicago—with its great retail stores, office buildings, hotels, clubs, new construction; with its

38 and 48 foot streets, its 57,958 feet of curb space, and with nearly a million people entering and leaving it each day—was fast reaching an impasse.

And this condition was approaching in spite of two distinct steps (besides the half-hour parking ordinance) that had been taken in hope of relief. In 1924 street cars had been rerouted and vehicles prohibited from making left turns. Then, two years later, the City had installed a really effective system of signal lights that still plays an important part in keeping traffic on the move.

No place to unload

THE speedier movement of traffic that resulted certainly had its effect on merchandise delivery so far as actual movement through the streets was concerned. But it failed to touch the more important problem of getting up to curbs

and alleys to load or unload. Right there was where the big delays occurred. A report made to the City Council by the Street Traffic Committee of the Chicago Association of Commerce included the following results of a check made on 19,477 vehicles occupying parking space on a typical business day between 10 a. m. and 6 p. m.:

Time Parked	No. of Vehicles
Less than 40 minutes	16,066
Between 40 and 60 minutes	1,364
Between 1 and 2 hours	1,208
Between 2 and 3 hours	348
Between 3 and 4 hours	171
Between 4 and 5 hours	116
Between 5 and 6 hours	58
Between 6 and 7 hours	56
Between 7 and 8 hours	60

The significant thing about this report was that the chief difficulty was due, not so much to other delivery vehicles, but to private automobiles. Of

Put your records to work!

*Hunting costs money
and . . .*

*records available
to only one person
never earned much*

Forty years ago that would have been all right, but there isn't time now.

Business is keyed to a higher pitch. Records are no longer a history of business; they are the gauges by which it is run. Organizations have learned to plan production by anticipating future sales on the basis of past performances.

Vital facts must be immediately available. There is no time to wait. Expense records must be made profit builders. That is the problem. The answer is Acme Visible Equipment, standard throughout the world, the system that dynamically:

- enables the Purchasing Department to keep a close check on terms, source of supply, quotations, and deliveries.
- tells the Sales Manager when important numbers and prospects are being neglected or lost sight of entirely by salesmen.
- holds stocks at the established minimum, increases turnover and enables every other record in industry to operate more effectively, and with less clerical labor.

Acme records are action records. They are action records adaptable to every department of every business.

Whether it is stock, production, credits, sales, purchases, costs, employment or any other record in your business, Acme will make the facts thrust themselves before you—you won't have to hunt for them.

Profitable Business Control, an authoritative book based on actual Acme installations, will show you how you can apply modern methods to every department of your business. Tear out the coupon and fill it in now. There is no obligation.



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world's largest
exclusive
manufacturer
of visible
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Offices in principal cities

ACME VISIBLE RECORDS

MAIL THIS COUPON TODAY!

ACME CARD SYSTEM COMPANY, 2 South Michigan Ave., Chicago

NB-10

Without obligation on my part, you may send me your book, "Profitable Business Control." ☐ Have a systems man call for conference.

Name _____ Firm Name _____

City _____ State _____

When writing to ACME CARD SYSTEM COMPANY please mention Nation's Business

the 19,477 vehicles checked in this particular survey, 78 per cent were private cars.

The life of a truck driver in those days was one long search for a few feet of vacant curb. If he did find the few feet, and by any chance they happened to be in front of the building he sought, that, indeed, was a coincidence.

Often held up traffic

FAILING, he could either cruise around the Loop killing time until a parking space was vacated or he could stop *outside* the parked private cars, throttling passing traffic still more and running the risk of a police "ticket."

The present no-parking ordinance has eliminated both of these costly practices. No flash-in-the-pan hunch ushered in this somewhat radical innovation. The present law had its origin in a scientific traffic survey made by Miller McClintock, of the Alfred Russel Erskine Bureau for Street Traffic Research, a Bureau endowed in Harvard University by the Studebaker Corporation. The Chicago Association of Commerce sponsored this work.

With a few necessary exceptions, the new ordinance prohibits passenger automobiles from parking in the Loop longer than necessary for persons to get in or out, with a maximum time allowed of three minutes. It also limits the parking period of trucks and other mercantile vehicles to a reasonable time for handling loads, with a maximum allowance of one-half hour.

Already much has been written about the success of the plan from such angles as Loop store patronage, pedestrian movement, general speed of traffic and the like.

In regard to merchandise distribution, however, not much has been heard from individual trucking concerns, to whom available curb and alley space often means the difference between profit and loss.

For example, take The Cartage Exchange of Chicago. This is an association of trucking companies that own between four and five thousand trucks and other types of delivery vehicles, about two thousand of which enter the Loop every day.

"The results of the nonparking ordinance," said A. L. Sanger, manager of the Exchange, "are strictly in line with the present hand-to-mouth buying tendency. Supplies must be delivered to stores and office buildings as promptly and as often as possible. We are depended upon more than ever before for a certain thing at a particular time. An extra truckload a day from freight depot or warehouse is vastly more important now than it used to be.

"The new ordinance meets this need by enabling our trucks to give quicker, surer, more mobile service.

"Formerly our drivers sometimes had to cruise around the Loop for hours before finding a space at which to unload. Our main trouble was from private cars, many of which would clutter up valuable unloading space for the better part of a day. The half-hour parking rule

then in effect was hard to enforce against private automobiles because in Chicago police have to serve the driver a 'ticket' in person.

"It was difficult to catch a driver who locked up his closed car and disappeared into some building. When he finally emerged, it was easy for him to watch his chance and get away without being observed.

"But now it is comparatively simple to watch a car for three minutes and serve a 'ticket' to the driver in person should he overstay the time allowed.

"As a result, curbs and alleys are kept practically clear so that we can deliver the goods in jig time and be out of the way of the next load. That's what the new condition means to us. And don't forget that this speedier delivery is translated in terms of economy to our customers and, finally, to consumers themselves."

Speeds up delivery

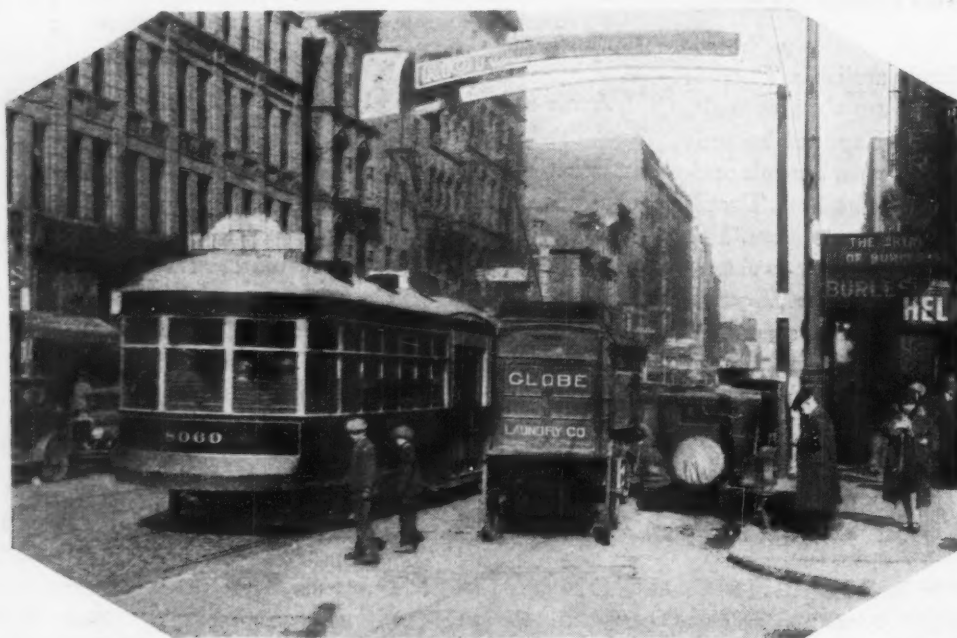
OR TAKE the case of delivery and pick-up carriers that follow fixed routes. The Railway Express Agency provides a typical example. The Chicago division of this organization serves an area of about 200 square miles with 950 vehicles. In the Loop alone this company has some 200 definite pick-up routes laid out, each assigned to a single vehicle.

"It is safe to say," declared E. L. Hamilton, the company's superintendent of vehicle service, "that no parking already has increased our speed 25 per cent so far as travel is concerned. I don't say that this means 25 per cent more pick-ups and deliveries. But it does mean a big improvement in our service.

"The net result of no parking, as far as we are concerned, is shown by the fact that, since the ordinance went into effect, we have been able consistently to handle 5 per cent more business in the Loop with exactly the same number of vehicles and the same personnel."

But consider an entirely different type of material distribution. At no time does delay run more directly into money loss than when crews of highly paid steel workers, for example, are kept idle through lack of materials.

"For years," explained Joseph X. Galvin, president of the Pennoyer Merchants' Transfer Company, "one of



The old conditions led delivery vehicle drivers to stop outside parked cars, throttling other traffic still more

Plugging Profit Leaks

Any ONE of the Following Uses Makes an Addressograph Profitable in Your Business



SELLING

Addresses: Envelopes, Circulars and Post Cards. Fills in Letters. Speeds out Announcements, Booklets, House Organs, Catalogs, Bulletins, Price Lists. Provides systematic "Customer Control". ☐

RECORD-KEEPING

Keeps up: Statements, Cost keeping records, Inventory records, Personnel forms, Ledger pages, etc. Completely writes Trust statements—addresses Credit advices and other bank forms. Writes Tax rolls and Tax bills. ☐

ROUTING

Lists: Driver's route sheets and Call lists. Imprints names, addresses and data on Laundry slips, Bundles tags, Driver's receipts, Newspaper bundle labels. ☐

IMPRINTING

Imprints: Booklets, Blotters, Mailer strips, Short messages on postals, Wrappers, Folders, Swatches. ☐

SHIPPING

Addresses: Bills of lading, Route sheets, Labels, Shipping envelopes, Way bills, Tags, singly or in gangs. ☐

COLLECTING

Fills in: Bills, Collection letters, Follow-up notices, Installation collection forms, Meter-reading forms, Premium notices, Public service bills, Receipts, Statements. ☐

DISBURSING

Imprints: Dividend checks, Pay-checks, Pay-roll sheets, Pay-envelopes, Pay-roll receipts, Stock holders lists, Voucher checks. ☐

SCHEDULING

Writes: Production orders, Progress records, Schedule cards, Routing tickets, Requisitions, Cost forms, Piece worker's Time Tickets, Coupons, Vouchers, etc. Imprints Order schedule forms, Heads Tickets, Tags, Labels, etc. ☐

MAILING

Leaves: Mailer strips. Imprints addresses on margins of Publications. Addresses Publication envelopes and wrappers. Addresses church and lodge Announcements, Notices, Bulletins, etc. ☐

IDENTIFYING

Embosses or Indents: Metal directory plates, Machine name plates, Motor name plates, Employees' badges, Shoppers' tags, Green gun tags, Metal shipping tags, Metal labels. ☐

DUPPLICATING AND PRINTING

Duplicating or ink printing: Complete letters, six, pamphlets, folders, leaflets—in one or two colors at same operation. ☐



WATCH the small leaks in business! When allowed to grow they carry away the hard earned profits of your business.

No business today, from the smallest to the largest, can afford the tremendous cost of pen and pencil methods. Office clerks working against time means costly mistakes. Typists swamped with lists of names and standard data to write means delays. Operations being held up because of delayed and inaccurate information means high costs . . . Any successful business heeds the slogan, "Get it done—

quickly, efficiently, economically!"

There is a machine that will do an important part of the work in every department of your business 10 to 50 times faster than hand methods without the possibility of an error!

Study the list above. It will disclose an amazing number of ways in which Addressographs will reduce expense, save time, eliminate errors and produce profits in your business.

Mail the coupon for helpful advice and information.

Sales and Service agencies in the principal cities of the world.

ADDRESSOGRAPH COMPANY, 909 W. Van Buren Street, Chicago

Canadian Head Office and Factory: Addressograph Co., Ltd., 30 Front Street W., Toronto, 2, Ont.

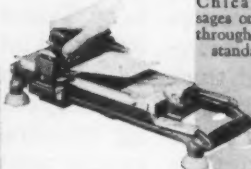
European Head Office and Factory: London, England.

Manufacturers of Graphotype Addressograph Dupligrph Cardograph Speedamat

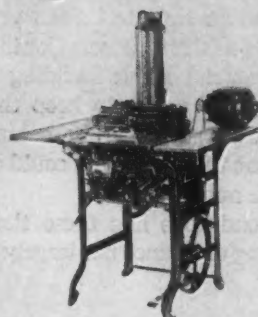
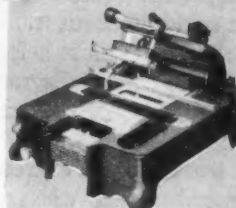
Addressograph

TRADE MARK
PRINTS FROM TYPE

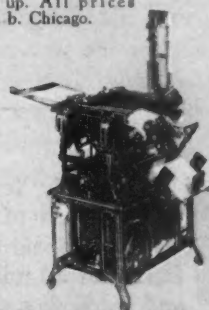
Cardograph — \$57.50 f. o. b. Chicago. Produces 1,500 messages on post cards in an hour—through a ribbon. Also imprints standard data on forms, etc.



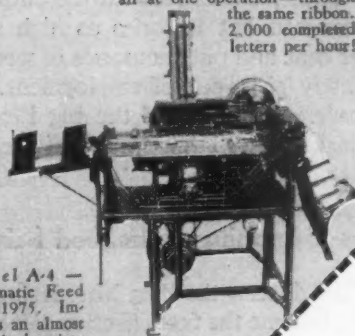
Model H-3 — \$75. Imprints names or data, 1200 to 1800 impressions an hour! Other hand operated models from \$20 to \$105. All prices f. o. b. Chicago.



Model F-2 Electric — \$365. Handles name and data writing on all forms thru a ribbon, 2,000 to 3,000 an hour. Other electrically operated models from \$275 up. All prices f. o. b. Chicago.



Dupligrph — Leased at \$67 per month. Prints complete letters with name, address, salutation, date and signature—all at one operation—through the same ribbon. 2,000 completed letters per hour!



Model A-4 — Automatic Feed — \$1975. Imprints an almost unlimited variety of forms, 7,500 per hour. Other automatic machines from \$475 to \$12,750. All prices f. o. b. Chicago.

Mail with your letterhead to

ADDRESSOGRAPH CO.
909 W. Van Buren
Street, Chicago, Illinois

Please explain how Addressographs will increase my sales and reduce my operating expense.

10-29

our big problems in connection with Chicago's Loop was to get heavy material on the job exactly when we promised it. We tried all sorts of control plans. We sent out trouble inspectors to watch the progress of each truck and to report to us instantly whenever a delay loomed up. But even when we saw trouble ahead, quite frequently there wasn't much we could do about it.

"We tried to route our trucks beforehand, only to see our careful diagrams and time schedules go to pieces because of congested conditions.

"Sometimes we adopted extreme measures. I remember that when we started hauling steel a few years ago to what was then the new Continental and Commercial Bank Building it took a platoon of police to keep things clear before we succeeded in making deliveries that the contractor could depend on to the minute.

"Conditions like these the new no-parking ordinance has largely remedied.

To my mind it is a tremendous success.

"Just at present Chicago's new Board of Trade is under construction in the Loop. Taking this job as an example, I have been interested in making a careful comparison between present and past Loop conditions as they affect hauling structural steel to the job. Before parking was prohibited we might, in a given period, have delivered about 400 tons to this building. Under the new conditions we actually delivered 900 tons in a corresponding period with surprising ease and regularity.

Saved ten cents a ton

"LET me give you another example," said Galvin, "of what no parking means in handling heavy building material. A few years ago we delivered structural steel for the Chicago Temple Building, on one of the Loop's busiest corners. We handled that hauling job at 75 cents a ton and made a small profit. Today,

taking every factor into consideration, with our higher traffic speed and clear curbs and alleys, we could do the same work for 65 cents a ton and actually make more net profit. Do you wonder that we consider nonparking not only a success but a godsend?"

Here, then, are a few random examples; opinions of men long experienced in distributing various kinds of goods in a congested business district.

No doubt elaborate merchandise surveys will be conducted in the future, just as the more general results of the no-parking ordinance have already been analyzed and published.

But the definite trend of first reports is highly significant. It seems almost inevitable that each new merchandise analysis will only prove more conclusively that no parking is helping "deliver the goods" quite as successfully as it has thawed out a congealed business district where traffic movement has been partially "frozen" for years.

Tangles and the Tariff

By AARON H. ULM

IN THE early 'teens of this century the long hair of a popular dancer, ill with typhoid fever, was sheared. Last year 30 million women's hats and hat bodies came to the United States from Italy, as—it may be argued with fair logic—a result! This inpouring of women's hats reduced the output of American hat factories as high as 40 per cent and put thousands of workers, mostly girls, out of employment. The occurrence is one of the big items of consideration in current tariff proceedings.

Beginning of bobbed hair

THE dancer, the then Mrs. Irene Castle, became the first effective pioneer of a fashion which, says a French Academician was the beginning of the most radical changes in women's styles since the days of the Merovingian kings.

Bobbed hair accounts for the hooded type of hat in vogue throughout the western world. Italians got the jump on most other producers in making this type of hat.

Echoes of the change of which bobbed hair is a symbol ring loudly through congressional hearings on the tariff. Short

skirts, for example, expedited the evolution of full-fashioned silk hosiery.

The American-made silk stocking is almost as world prevalent as the American-made automobile which, students of such things say, hastened the dwindling of skirts. But textiles did not suffer from the trend in women's clothing as much as most people have assumed. After all, only a rather secondary proportion of all textiles goes into garments.

It does not appear that the hair which fell so freely from women's heads attained, of itself alone, economic importance, as did that of Chinese men when shorn in celebration of the Manchu dynasty's fall about 15 years ago. But for the shearing of Chinese queues, there might have been serious shortages of many essential commodities.

These queues, it was disclosed in the tariff proceedings, figure importantly in manufacture of press cloth. Press cloth is not as drab as it sounds. Let John S. Radford of Houston, Tex., a manufacturer, speak from the House Ways and Means Committee tariff hearings: "If we had not given you press cloth for your food and ammunition you would not have won the war."

Press cloth is used for straining under intense heat and pressure. Until about a dozen years ago it was made of camels' hair only, for that was the only fibre available in large quantities that would stand up under the conditions to which press cloth is subjected. Camels' hair came mostly from Russia where war and revolution played havoc.

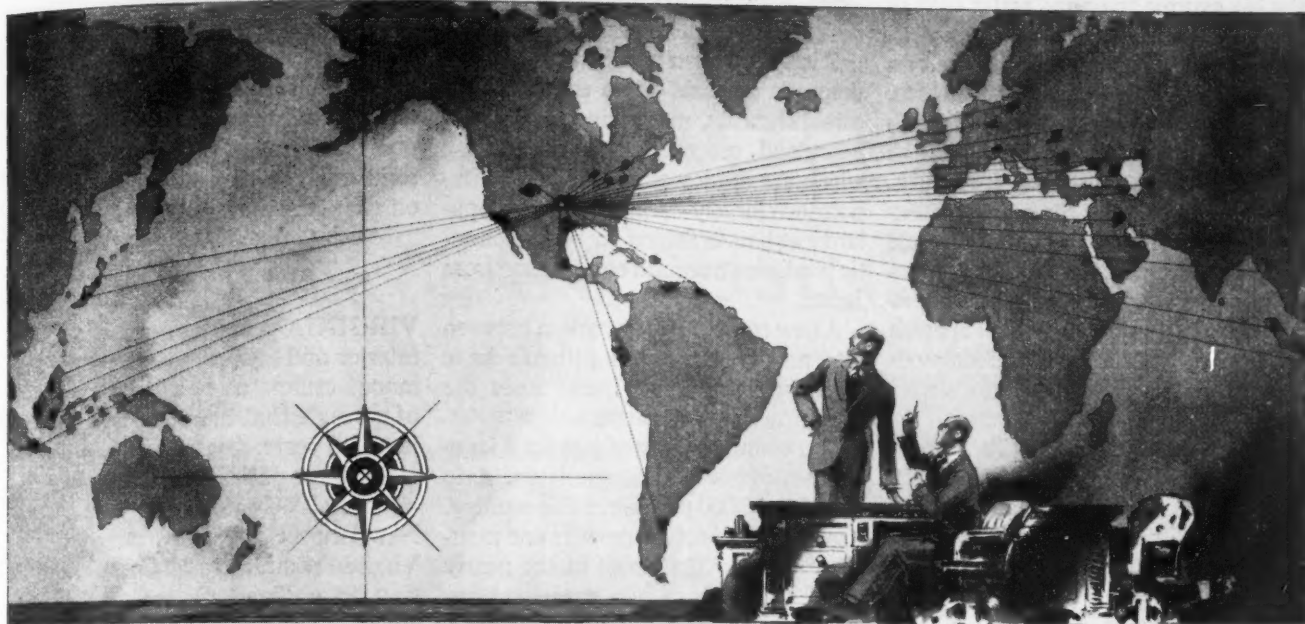
Because of the falling queues in China, a way was found to substitute human hair in part for camel's hair. Today press cloth is about 70 per cent human hair.

Pressure of demand for press cloth thus relieved, camel's hair now goes into cloth. Thus it competes with wool and produces an issue between the ranchman of Wyoming and the muzhik of Samarkand.

Far-flung trades compete

DEVELOPMENTS as unique, and disclosed also in the tariff proceedings, account for a sharp issue between the flax farmer of North Dakota and the swampman of Louisiana on one hand and Arabs in Morocco and Algiers on the other. It involves two textiles that have come only lately into large-scale use.

One is Spanish moss which hangs from



TULSA... an *International City*

The advent of the Sixth International Petroleum Exposition, being held at Tulsa, October 5 to 12, calls attention to Tulsa's position as one of this country's few genuinely international cities.

Tulsa is nationally and internationally acknowledged to be "The World's Oil Capital." Her career as an oil city has been without a parallel in any industry. In 1905 an unknown prairie town of less than 5,000 people—today the small area lying within a 90-mile radius of Tulsa produces 16 per cent of the world's petroleum supply and 17 per cent of the nation's natural gas.

A Major Distributing Center

Today crude oil from the Tulsa area travels by a vast system of radiating pipe lines to every refining center in the nation east of California. Gas from the Tulsa area supplies industry throughout several states. Refined petroleum products from the great refineries of Tulsa and her

district are shipped to every city in the nation and to every country in the world. Pumps, tanks, drilling equipment built in Tulsa are shipped to the four corners of the earth. Oil men from every American and foreign oil district gather at Tulsa every year to attend the International Petroleum Exposition and inspect at first hand all that is new in oil equipment and processes.

In twenty-four years Tulsa has become a city of 185,000 population. In the last ten of those years she has advanced from a rank of 100th among American cities to 44th. Today she ranks 12th among American cities in number of buildings over 10 stories high and is the fastest growing city of her size in the world.

A Natural Industrial Center

Yet Tulsa's future is by no means dependent on oil. Already she has other important industries, and industrial experts predict that her unprecedented natural advantages will

make her in time one of the leading world centers of diversified industry. Tulsa lies at the heart of one of the world's richest raw material sections. She is the world's leading center of fuel production—oil, gas and coal. She has an unlimited supply of the finest water, plentiful native born labor, exceptional transportation facilities, and unequalled climatic advantages. Lastly, her "door-step" market is one of unique prosperity and she is strategically situated both for distribution to the Southwest and to the nation.

A comprehensive industrial survey of Tulsa will be sent without cost to executives. Special surveys on request. . . . Address Industrial Commissioner, Tulsa Chamber of Commerce, Tulsa, Oklahoma.



TULSA

Logical Distributing Point for the Southwest—
Logical Manufacturing Center of the Nation



When writing to TULSA CHAMBER OF COMMERCE please mention Nation's Business

the big cypress trees and water oaks of the deep South. The other is *crin vegetal*, which comes from the sheaths of a dwarf palm which grows in North Africa.

Early settlers sometimes used Spanish moss as a filling for mattresses and the upholstery of home-made furniture. George R. Luce of New Orleans exploited the product on a small scale about 35 years ago, for use in upholstering carriages and wagons. The low-priced automobile has made Spanish moss an important commercial commodity. In 1925 about 15,000 persons were employed to gather and process it.

Meantime, a couple of Frenchmen exploited *crin vegetal* for similar uses. A bit of this material was coming into the country in 1921 when northwestern flax growers caused a duty to be put on it as a protection to flax tow.

Mosquitoes and competition

NOW THE Spanish-moss folk lead a fight for a higher duty. They say that *crin vegetal* is playing havoc with their industry. Importers of *crin vegetal* assert that Spanish moss is superior and has a place of its own, and that whatever competition there may be is evened more or less by malarial mosquitoes in North Africa.

"The price of *crin vegetal* advanced from two to three and a half cents a pound, 75 per cent, in 1928," said Paul E. Woll, of Philadelphia, who spoke for domestic manufacturers of this imported textile material. "There is little hope of a decline in price, because of the scarcity of labor in Morocco, due to the deaths last year of one million Arabs from malaria."

But we cannot be wholly outdone, yet, even by malaria. Spanish-moss manufacturers say that in the localities of their industry in Louisiana—where there are now 64 Spanish-moss ginning mills—"malaria incapacitates large numbers of laborers, bringing about doctor's bills and other expenses, with demands for higher wages."

In swampy areas where Spanish moss flourishes, snakes and other reptiles sometimes abound. These, too, are looming on the economic horizon because reptile leather is now a big domestic and world commodity. Domestic producers want protection.

"Do you ask it also for domestic snakes and alligators?" a Texas Congressman asked one of the manufacturers.

"Not now, for we import all our skins from the Tropics," the manufacturer replied, "but we are experimenting with domestic snake, alligator and

lizard skins and before long it may be desirable to protect these too."

Such protection is already sought for domestic goldfish. More than 50 large establishments, mostly in Indiana and Maryland, are now producing goldfish which are of increasing commercial importance largely because of their popularity as bait in fishing for bass. Domestic producers have stiff competition from Japan.

A new conflict also has arisen between jute and cotton which hitherto have been quite fraternal. India raises the jute, America the cotton.

The manufacturing of jute for a large number of uses, gives employment to 40,000 to 50,000 persons in this country. Now groups of cotton growers and manufacturers say that most of the nearly a billion pounds of jute consumed annually might be displaced by domestic cotton and ask tariffs aimed to bring about the shift.

We send little cotton direct to India, but that country does consume annually about 600,000 bales of American cotton in the form of goods made in England. So a triangular and complex situation arises.

Turning to Egypt we find another singular relationship as to cotton. We import annually about 200,000 bales of Egyptian long staple, although we produce almost as much long staple, and export about half of our production. Hence long staple cotton growers in the Mississippi Delta and the Salt River Valley ask duties on this commodity.

Manufacturers of sewing thread, however, assert that, with princely Sea Island cotton out of production because of the boll weevil, they must have Egyptian, because no other cotton now yields a strand that will pass easily through the eyes of small needles without sheering.

Trawl causes controversy

ANOTHER dispute centers about the otter trawl, brought from England to enable New England deep-sea fishermen to catch enough fish to supply a market tremendously extended by the *fillet* and refrigeration.

The trawl is an enormous net that is dragged through the ocean by a boat. It is made by hand in England. It displaced in this country large quantities of domestic machine-made lines and ordinary nets. Manufacturers thus affected ask for a duty that will enable them to produce machine-made trawls.

But, say the new mass-production fishermen, satisfactory otter trawls have not been and probably cannot be made with machines.

On the side lines are manifold incidental tangles. For example, in Virginia they produce a peanut that goes into candy. A similar peanut comes from China, producing an issue on which all domestic peanut producers line up in solid array with candy manufacturers on the other side.

There's no unanimity

VIRGINIA peanut growers stand with interior and against coastal miners and manufacturers as to gypsum, the core of a tangle that has come about in the last few years. Gypsum folk in the interior want duties against importations by coastal operators of gypsum from New Brunswick and Nova Scotia. But Virginia peanut growers, who use gypsum as a "land plaster" are against them.

Virginia white potato growers similarly look kindly on increased importations of potatoes from New Brunswick. They use these potatoes largely as seed, but Maine potato growers, who get the direct impact of the competition, want more protection.

All domestic potato growers, however, sympathize with the demand that sago and tapioca, which come in the main from Java and cannot be produced in this country, be taxed as a protection for potato, corn and wheat starches. The domestic starches serve few uses for which tapioca is employed on large scale, say manufacturers of cementing pastes and glues.

Some of these manufacturers are also in dispute with dairy interests over casein, derived from skimmed milk. Enough casein, say spokesmen for the American cow, is thrown away in this country to afford adequate supplies of casein for all the world. But, say the coated-paper and glue manufacturers, it is more economic to turn skimmed milk into powdered milk.

A great many publications throughout the country are involved in this tangle, as are also the wood furniture manufacturers and even the aviation industry.

Involved with it somewhat is the alcohol tangle which is veritably Einsteinian. Chemistry, with its newly unfolding synthetic alcohols, makes shaky every promise as to future industrial alcohol processes.

Although in outline simpler, the sugar complexity is as immense as that of vegetable oils and animal fats, and even more acutely involves far-flung questions of national and international policy.

Through all these tangles Congress must somehow find its way.

HIS STATEMENT A CHALLENGE TO AMERICAN BUSINESS

AMERICAN BUSINESS PRIDE received a severe jolt recently, when Julius Klein estimated the annual loss through inefficient selling and distribution at eight to ten billion dollars.

Not least of the factors responsible for this colossal loss is *wasted time*! Delay in re-stocking, delay in making sales contacts, delay in the transmission of orders, delay in shipments—all entail waste.

Goods finished and waiting shipment increase inventories—tie up capital. Not until the goods are speeding to the market is capital freed for new work.

Closeness to shipping points is only part of the solution. Speed in trucking out of warehouses only another part. These may save hours.

But sending in the orders ahead of the mails by Postal Telegraph—shortens the distance from factory to market by days.

Many successful manufacturers, jobbers and merchants are finding new economy in speeding the negotiations and transactions of their business by the use of the enlarged Postal Telegraph. To accuracy, reliability and speed in transmission is added the time-saving of the written record which prevents wasteful disputes.

Postal Telegraph has constantly increased its capacity to serve this growing demand. Now over 90% of its millions of messages relate to business transactions.

Over Commercial Cables and All America Cables—affiliated parts of the International System—a swift, accurate, courteous Postal service carries your communications to Europe, Asia, the Orient and the nations of Central and South America. Between ships and shore Mackay Radio is the lightning link.

Postal Telegraph

Commercial
Cables

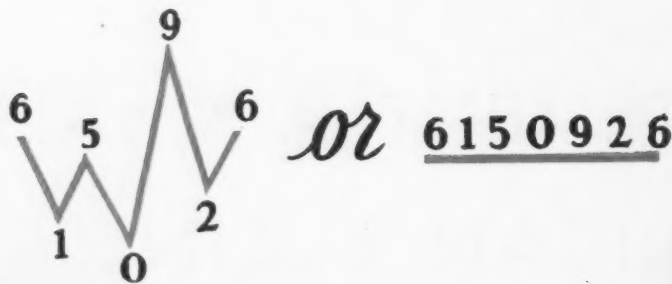


All America
Cables

Mackay Radio



DR. JULIUS KLEIN, Assistant Secretary of Commerce, is recognized as a leading authority on the economics of distribution.



WHICH is easier to read?

QUICK straight-line reading is just one of five big improvements of the Marchant that make all other calculators as obsolete as a car without a self-starter.

With the Marchant you have an instantaneous, easily read check on your figuring. No zig-zag hopping all over a confusing keyboard before you can be sure you have not made a slip.

With many chances in every calculation for costly oversights, the necessity for this single Marchant improvement is plain.



Adds
Subtracts
Multiplies
Divides

MARCHANT ALL-ELECTRIC Calculator

Five exclusive improvements that make all other calculators obsolete

THE Marchant contains every feature that a calculator should possess, *plus* this and four other important and exclusive improvements.

These improvements mean greater speed and accuracy, easier operation, larger profits. You will do your company and yourself a grave injustice if you fail to investigate them at once.

Examine the Marchant in your own office. Try it out on your own work. Convince yourself of the importance of these five big features which you can get in no other calculator.

Mail the coupon. A free booklet giving full information will be sent you, and, if you desire, a demonstration and free trial will be arranged through our nearest office without obligation.

1 *Straight-line visible check* on all figures. All factors and the result right before your eyes. Increases accuracy and speed. Eliminates checking back. No other calculator has this feature.

2 *Instantaneous electric clearance.* Press a button and the machine is cleared of all figures...instantaneously, positively. Speeds up calculations, saves energy, prevents partial clearances from injuring the mechanism. No other calculator has this feature.

3 *Smooth-sliding carriage*...no humpy-bumpy hurdling...moves quietly over a straight-line surface...gives greater

speed, less noise, less fatigue to operator, less wear and tear on the machine. No other American-made calculator has this feature.

4 *Automatic stop control* on all calculations including addition and subtraction. The electric motor stops automatically the instant the operation is performed, preventing unintentional extra calculations. No other calculator has this feature.

5 *Compactness*...Compact keyboard and closely spaced dials make for speed, and machine occupies minimum desk space. No other electric calculator has this feature.

Hand operated and portable models as low as \$125.00
16 years building calculators, nothing else.

Free

MARCHANT CALCULATING MACHINE COMPANY
Dept. 24, Oakland, California

Please send me free booklet about

- ☐ The Marchant Portable Calculator
☐ The Marchant All-Electric Calculator



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Firm _____

Address _____

City and State _____

The High Cost of Noise

By RAYMOND WILLOUGHBY

IF SOME later Antony calls on this nation to lend him its ears, who is going to see to it that the goods are delivered?

The question before the householder—and before industry and city administrations—is, what can be done about noise?

Noise is a plague of modern life. Noise is bad business.

A good many industries realize this and have begun to do something about it. Engineers have known for a long time that noise can be stopped.

The obstructing question is, who will pay for stopping it?

The effect of noise on the human ear has invited considerable scientific inquiry and much lay indignation. Prof. J. J. B. Morgan, now of Northwestern University, a decade ago at Columbia made experiments which suggested that noise increases the use of energy in the human body. Only a few months ago, Prof. F. C. Dockeray, of Ohio Wesleyan University, discovered that noise stimulates human beings to the degree resulting from a mild cocktail.

Experiments at Colgate University showed that white rats kept in relative quiet ate two or three per cent more than those kept under electrically duplicated city noises, but with only the small advantage shown in food consumption the rats kept in quiet grew about ten per cent more rapidly.

These scientifically controlled observations on animals, Dr. Donald A. Laird explains, are paralleled and confirmed by measurements of city and

country children, which reveal almost invariably, he says, a greater rate of growth for country boys and girls.

At Colgate a measure of sound called a "noise unit" is used. A trolley car makes about 60 noise units. "Work in our laboratory reveals," Dr. Laird reports, "that with an intensity of above 45 there is a drain on bodily energy, due to noise being a natural stimulus to cause the fear reaction."

So much for professional opinion.

But while science is taking these pessimistic soundings, other groups are trying to safeguard the hearing and the

health of the race, among them the National Association of Real Estate Boards.

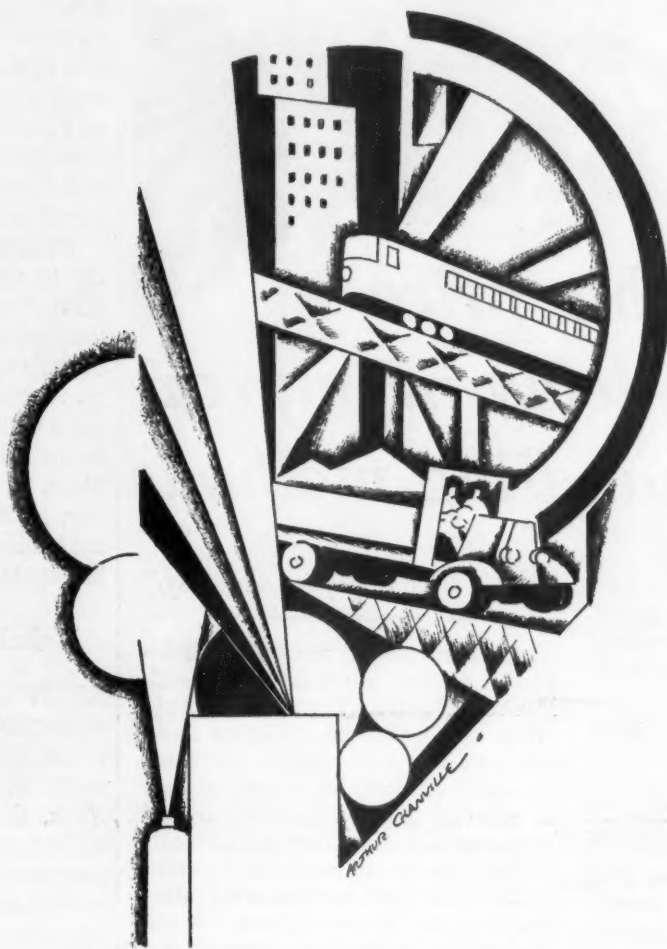
Apart from the wear and tear on peace of mind, noise signifies a costly handicap on production and the mechanisms of production. The idea is advertised by the Mohawk Rug and Carpet Company, which says, "Genius puts a heavy premium on Quiet, and rightly so, for only Quiet can produce the things that genius gives the world . . . you have quiet in your home. Why not in your office? . . . Yet you must contend with noises of a thousand kinds." With the suggestion that business should be "quietized," the company puts in a good word for its products.

Naturally enough, the makers of the Remington Noiseless typewriter are in hearty accord with the spirit of this advocacy of quiet, and they take a good deal of advertising space to make their position clear. Quiet buildings and offices are more the reality than the hope by reason of the increasing use of materials to

insulate against sound. In this behalf the Johns Manville Company has extensively advertised its asbestos insulation.

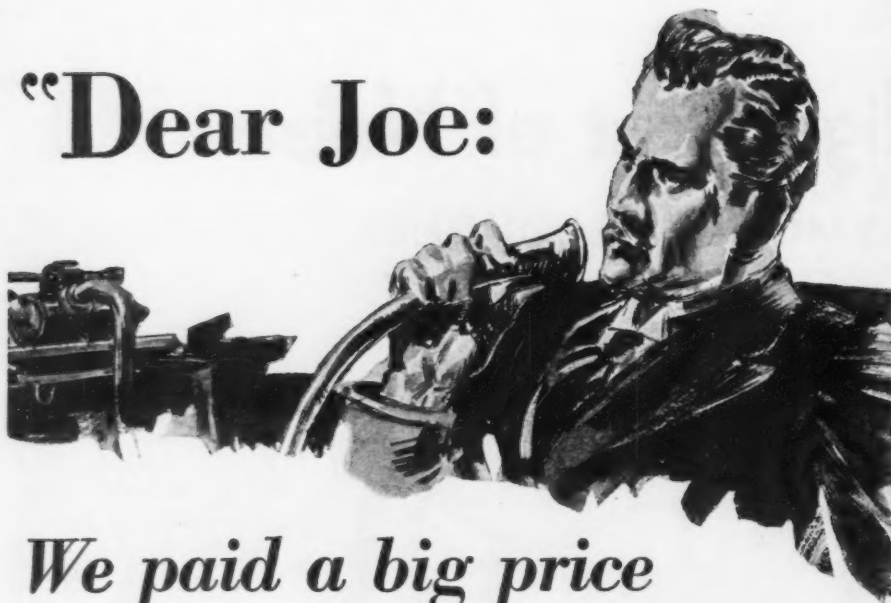
But if the end of a business day does find you "desperate for peace and quiet"; "fatigue tugging like a weight at your shoulders"; "nerves screaming for relief from the day-long rush and roar" what then?

Well, suppose a Rolls Royce is waiting at your door, as Rolls Royce of America suggests. Let the advertisements fill in the details of this bright vision. "You step in and sink back in



NOISE is the plague of city life but it is more than that. Science finds that it has a deleterious effect on health and efficiency. This is bad for business and business has arisen to put a stop to it

"Dear Joe:



We paid a big price for our delay in improv- ing handling methods

BEFORE me I have the first cost report on our new Elwell-Parker Tractor at our Ohio plant. You will be interested in the figures.*

Daily wages—14 men released for other work by Tractor . . . \$60.50

Daily operating cost of Tractor including depreciation, electric current and repairs . . . 4.50

Total daily saving made by Tractor \$56.00

"If I remember correctly, we first considered buying a Tractor nearly two years ago. Think what we would have saved if we had made up our minds then. Fifty-six dollars a day

is a big price to pay for our delay."

There is no sound reason for indecision in the purchase of Elwell-Parker electric Tractors. Their value to your business can be accurately estimated in advance. Because of Elwell-Parker's longer experience in electric truck manufacture and because the number of Elwell-Parker electric industrial trucks and cranes in use today exceeds all other electric trucks combined, Elwell-Parker Engineers have comprehensive and complete performance data at their disposal. The savings an Elwell-Parker Tractor system will make in your plant can thus be calculated on the basis of actual cost reductions made under similar conditions in other plants.

An Elwell-Parker Engineer will be glad to submit this estimate without cost or obligation to you. Phone him—or if you prefer, write direct to the factory. The Elwell-Parker Electric Company, 4251 St. Clair Avenue, Cleveland, Ohio. Representatives in principal cities.

* From the records of prominent Steel Co.



Lands of sheet tin weighing up to 5,000 pounds are transported at one time on this type of E-P Tractor

ELWELL-PARKER TRACTORS

Pioneer Builders of Electric Industrial Trucks, Tractors and Cranes

When writing to THE ELWELL-PARKER ELECTRIC COMPANY please mention Nation's Business

the cushions . . . Let the miles ahead be a chaos of shrieking traffic—you ride in a well of silence. Let the road be rough as a mountain trail—Rolls Royce will sheathe it in velvet."

As a natural consequence "you'll be asleep before you're half way home!" Despite this taste of the lotus, awakening must come. But no longer need Americans clap hands to tortured ears. "Flents" have arrived. By the definition of their manufacturer, "Flents are small pliable balls of specially prepared wax and cotton." Inserted in the ears, they shut out "exasperating city noises" and "protect your nerves and permit sound sleep."

While Rolls Royce advertising is helping to make the public "silence conscious," there are other hopeful signs that noiseless automobiles will become the rule rather than the advertised rarity. A report on riding quality made to the summer meeting of the Society of Automotive Engineers by Dr. Fred A. Moss, of George Washington University, indicated that engineers are seeking to eliminate all noises from automobile operation except soothing ones.

Noiseless fire trucks to come?

EVEN fire chiefs are disturbed by the uproar incident to the use of fire apparatus. At a meeting of the Eastern Association of Fire Chiefs, held in New York, Chief Kenlon of that city described as "perfect pandemonium" the progress of a fire company on its return to its house. There seemed to be general agreement among the attending chiefs that the sounding of sirens, blowing of whistles and ringing of bells by apparatus returning from fires is unnecessary.

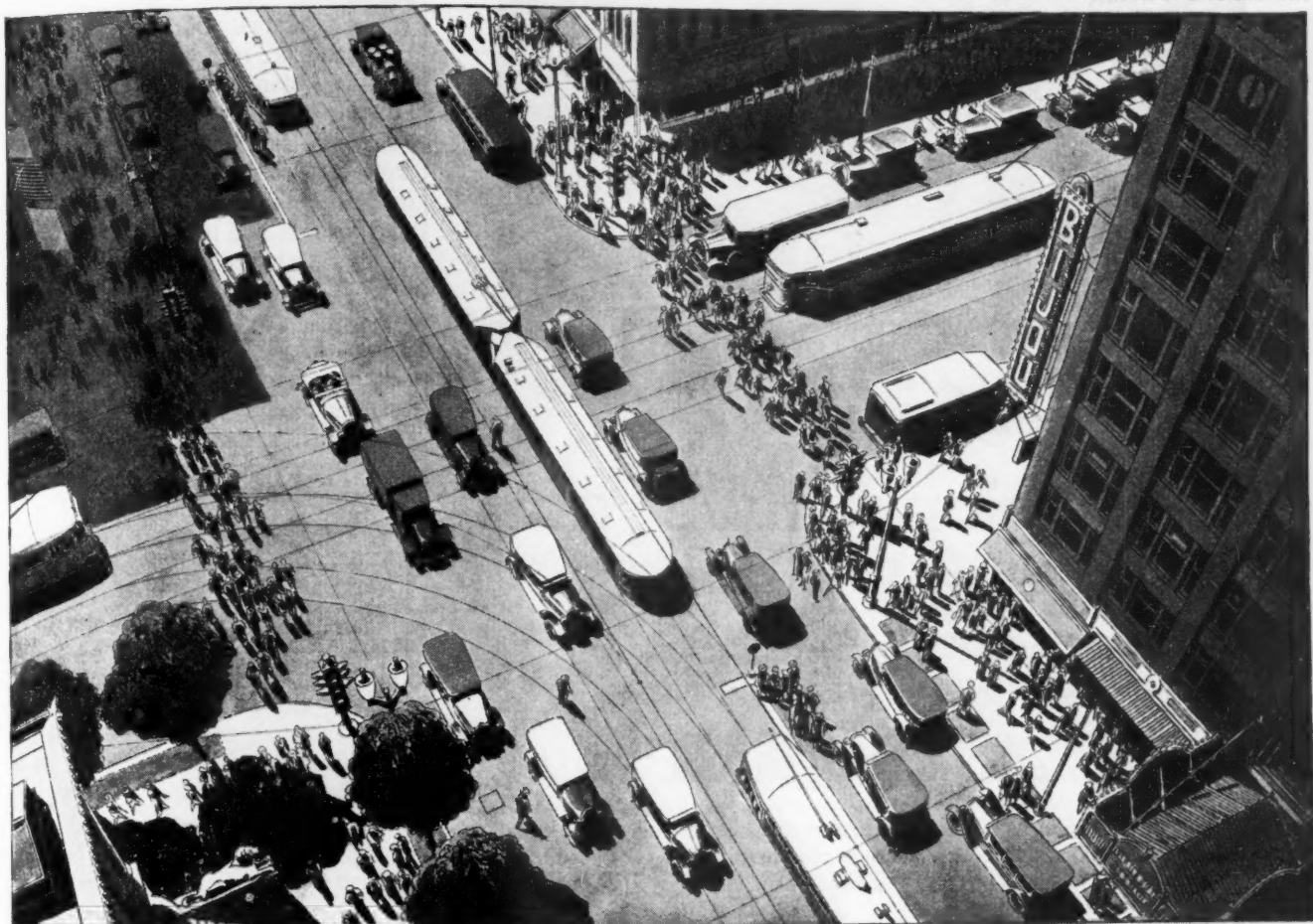
For their contribution to silence, some street-car companies have approved a liberal use of ball or roller bearings in the trucks of their cars. Much of the irritating noise in the operation of street cars comes from vibration produced by contact of metal wheels on steel rails. Rubber pads and lead-filled grooves have been used by some companies to deaden this vibration.

At Newark, engineers of the Public Service Company bored holes in the wheels, on either side of which were bolted wooden blocks of slightly larger diameter than the holes. In addition, grooves were cut around the gears and pinions and filled with lead. Canvas strips were also placed between moving metal parts to reduce scraping noises developed in operation. In test runs these devices gave a reduction in noise of about 50 per cent.

From Los Angeles comes word of a

WHAT WESTINGHOUSE IS DOING TO MODERNIZE TRANSPORTATION

DRAWN FOR WESTINGHOUSE BY C. PETER HELCK



WESTINGHOUSE WORKS HAND IN HAND WITH STREET CAR COMPANIES TO GIVE YOU BETTER TRANSPORTATION

Electricity's carrying capacity grows with the crowd

Down from towering offices, out from busy factories, flock the city's workers. It is evening, a day's work is done, and all are impatiently eager to be home.

Each year sees this crowd grow denser, as the homes of business and industry reach higher into the sky. Each year sees the homeward journey longer, as the workers' dwellings spread farther into the country. And each year finds flexible street car capacity to meet the erratic demands of rush hours as well as of dull hours, though few streets are wider.

Electricity's carrying capacity grows with the crowd. Now it is with larger, roomier, quieter cars, and lowered floors that quicken loading and unloading. Again it is with more powerful cars, that shorten the time of starting and stopping.

In addition to these important improvements made possible in congested downtown areas, elec-

tricity also has enabled street railway companies to adopt important auxiliaries to the street car in order to keep pace with today's rapidly extending suburbs. Of these the electric trolley-bus requires no rails to run on, but draws its power from double over-head wires and travels on resilient rubber tires. The gas-electric bus combines the comfort of the street car with the unlimited range of the more familiar motor coach.

Behind the scenes of this transportation drama, Westinghouse engineers are working continuously to create electrical equipment that satisfies each new requirement. Westinghouse, originator of the first practical street railway motor, still pioneers — not only in improving the cars and busses but also in developing the extensive equipment that insures

a continuous power supply. Westinghouse fosters every service that electricity provides.



The Sign of a
Westinghouse Dealer

Westinghouse



Hospitable Hawaii beckons the golfer.

Carefree Recreation will be your Objective . . . but business values may, if you wish, prove important incident- als on your fall or winter trip to . . .

HAWAII

As a golfer, Hawaii's links hold some new wrinkles for you. You play on the edge of a volcano, with a fairway of glistening lava...and you drive into the biggest hole in the world, Halemaumau, "Pit of Everlasting Fire!"

Just as new and stimulating to you as a business man will be the survey of America's great Pacific Coast empire that you will make en route. You will naturally allow several days for Los Angeles and Southern California, with an eye for the amazing financial, industrial and foreign trade developments in progress there. And you sail directly from Los Angeles to Honolulu over the delightful southern route. There, between diversions, you will gather the significant part Hawaii is playing in America's commercial expansion.

No business at all? So be it! The languorous, spring-like balminess of Hawaii's climate can make a pipe, a book and an easy chair on a hotel "lanai" the most perfect relaxation you have ever known. And as outlets for any amount of vigor are polo, golf, tennis, bridle trails and the fascinating surf sports of Waikiki.

You arrive in exactly the right mood for Hawaii when you sail the delightful southern route in a LASSCO luxury liner direct from Los Angeles to Honolulu. The smart cruiser de luxe, "City of Honolulu," for example, with her Pompeian swimming pool...elevator service connecting five decks...two-thirds of her staterooms having private or connecting baths...and all of them well lighted and ventilated through outside ports...affords the kind of service and luxury that makes even a cynic mellow and benign.

If you have reason to consult the social calendar, you will find that an early opening of the Honolulu season is in prospect, which suggests the advisability of attention to bookings now.

LASSCO
LOS ANGELES STEAMSHIP CO.

730 South Broadway, Los Angeles

521 Fifth Avenue, New York
685 Market Street, San Francisco

05-4

140 South Dearborn, Chicago
213 East Broadway, San Diego

When writing to LOS ANGELES STEAMSHIP CO. please mention Nation's Business

"continuous rail" for use at street railway intersections. Experiments with this rail in one of the suburbs, report says, showed a marked decrease of noise in comparison with the intersections where the car wheels pass over rail joints.

The availability of electric welding to take the place of riveting has invited a wide expectancy of noise reduction in building operations. Better cowl design, more care for the diffusion of the exhaust and more attention to the body design are rapidly modifying the belief that aircraft and noise are inseparable.

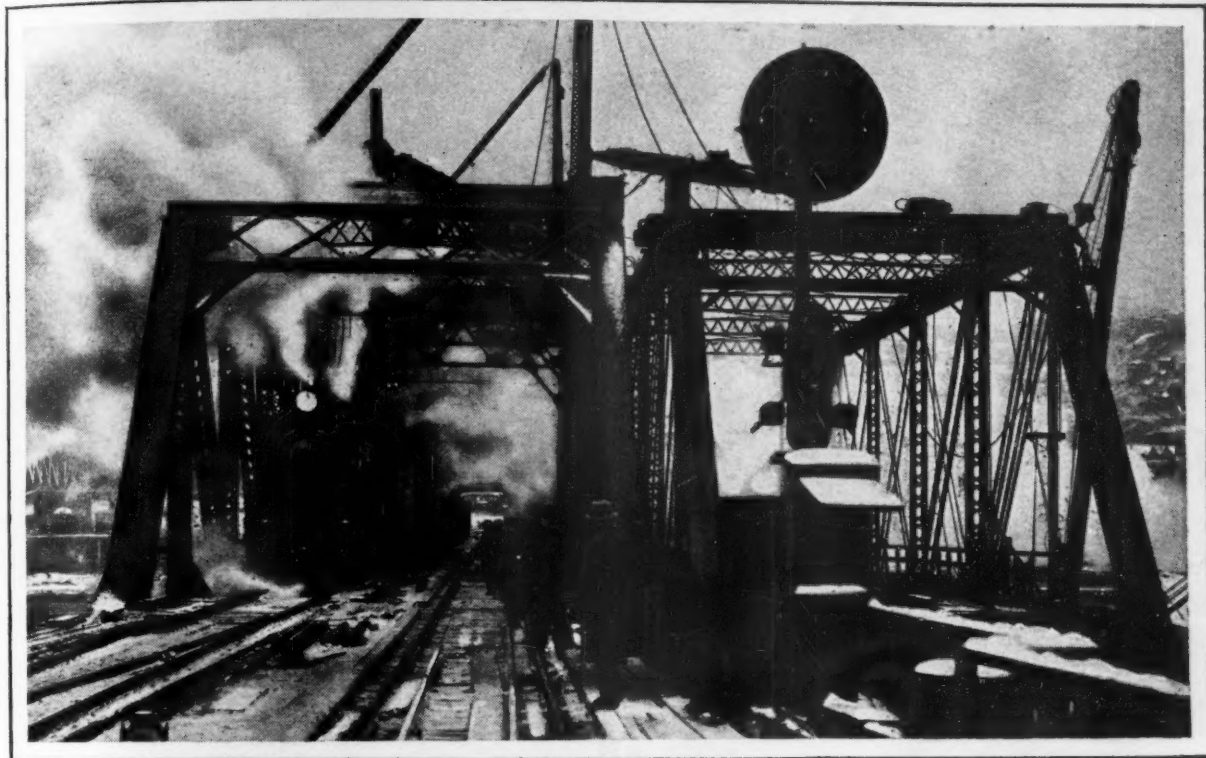
Advertisers stress silence

TURN the advertising pages of current newspapers and magazines, and the developing emphasis on the quality of quiet will become readily apparent. "The smoothest thing on wheels. The moment you leave the station you know that silent roller bearings make a difference," says the Milwaukee Road of one of its crack expresses. And the new trans-Atlantic queen, the *Bremen*, makes a point of her "soundproof rooms." "Harness your power with Morse silent chains," urges the Morse Chain Company. "Chosen to secure quiet speed" is a line used by the Diamond Chain & Manufacturing Company. "Silent chain drives" is an appraisal of one product of the Link-Belt Company. "Nothing rolls so silently as a ball," reports the New Departure Bearing Company, and "Hyatt Quiet" has long been known as a slogan of the Hyatt Bearing Company.

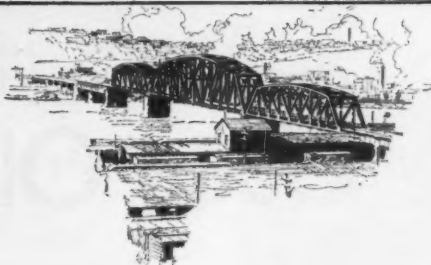
"Don't spoil a perfect moonlight night with a car that squeaks and squawks," warns the Alemite Company. In advertisements for Fisher bodies, the text reads, "eliminate rumble, 'drumming,' and other noises." "Quiet service" is performed by Delco water systems, on the word of the Delco Light Company. "Without the slightest trace of A-C hum . . . 'background' noises are practically eliminated," says the Grigsby Grunow Company of its Majestic radio receivers. "Quiet-running reliability" is stressed by the Westinghouse Electric & Manufacturing Company in recommending its motors for use in churches and hospitals. The "quietness" of its motors for pumping large pipe organs is an asset in church installations, the company asserts.

These evidences of the increasing concern to achieve quiet are by no means comprehensive or conclusive, of course. Yet they do seem, in sufficient number and variety, to indicate that noise is definitely on the way out.

A new steel bridge for an old one in just 20 minutes



The success of those few minutes of work would have been impossible without months of careful planning, by an Engineering Department with vast experience. Altogether over 10,000 bridges have been built by the Engi-



neering Department of the Pennsylvania Railroad. These represent an investment of approximately \$200,000,000. If the track across these bridges were placed end to end it would reach a total length of 153 miles.

IT WAS a cold December morning. The mercury showed fifteen degrees of frost. A heavy snow was falling.

Suddenly out of the storm a train roared up and passed over the long bridge across the Monongahela at Pittsburgh.

Two minutes later, fast, skilled workers cut the tracks. Speedily, hoisting engines moved the old bridge—a big 182 foot span—to the temporary runways placed to receive it alongside its original position. Then the new bridge—a strong modern structure weighing 560 tons—was swung into place.

Five minutes after the tracks

were cut, the new bridge was in position. Another fifteen minutes and it was ready for use.

Not a train had been delayed!

Such are the jobs of the Engineering Department of the Pennsylvania Railroad.

Sometimes it's a matter of laying new tracks in a busy section of the road where hundreds of trains pass in every 24 hours. And the tracks are laid securely, at the rate of a rail a minute—without hindrance to a single train.

Another time it's a matter of

moving a river to allow for extension of a freight yard. And the river is moved bodily from its old bed to a new one.

Or again, the task is to alter a vast terminal—such as the recent improvement in the big Pennsylvania Terminal in New York—and the job is put through without interfering with train movement.

In such achievements as these the 35,000 men on the staff of the Engineering Department play their part as a notable corps in the Pennsylvania's great army of 170,000 men. The aim common to them all is to get the trains through safely, swiftly and on time.

PENNSYLVANIA RAILROAD

Carries more passengers, hauls more freight than any other railroad in America



Derbies distinguish two future captains of industry in this old photo. The gentleman wearing a mustache and bow tie is Henry Ford; the other is Fred J. Fisher



In Those Good Old Days

TWO poor young men were working in a small factory building in Detroit 28 years ago, when an itinerant photographer happened along and called the whole force outdoors for a picture.

Now those two men are among the wealthiest in the world, and the one existing print of the photograph has a value which already has been expressed in hundreds of dollars.

In 1901, when the incident occurred, Fred J. Fisher was a draftsman for the C. R. Wilson Body Company, of Detroit. This company occupied the lower floor of a small factory building. A corner in the shop had been leased by a man named Henry Ford who was experimenting with a newfangled vehicle called an automobile.

Fisher was earning \$4 a day, and Ford was trying to finance his "horseless carriage."

When the factory force made for the

doorway at the call of the traveling photographer, they turned to Henry Ford and asked him to join them. Ford accepted the invitation and both he and Fisher appear in the photograph.

Later Charles Fisher, a brother of Fred, went to work for the Wilson Body Company, and, because he was refused a raise of \$5 a week, Fred and he decided to go into the body-building business for themselves. They organized the Fisher Body Company in 1908. Fred, the elder brother, took his six younger brothers into the concern. In less than 16 years it was sold to the General Motors Corporation for \$208,000,000.

While the Fishers were working with bodies, Ford was building automobiles—with what success every one knows.

Recently Fred Fisher, passing through the Detroit factory which he founded, noticed the old photograph tacked to the top of a workman's tool chest.

"Where did you get that picture?"

"Don't you remember when that picture was made?" the workman asked, and then related the circumstances under which it was taken.

Mr. Fisher remembered, but said that he had not supposed that a copy of the photograph remained in existence. He offered to buy the picture.

"Mr. Fisher," said the workman, "you have gone out into the world and have advanced more than I have and I think you would enjoy having this picture more than I."

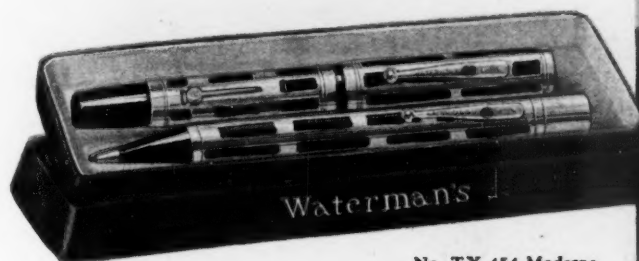
With a screw driver he removed the tacks and handed the photograph to his former fellow worker. Fisher voluntarily sent him a check for \$500.

Fisher later showed the picture to Ford and told him where he got it. Ford said he would give almost anything to have the old picture.

"Henry," said Fisher, "you haven't enough money to buy that picture."

—I. O. H.

Waterman's Number Seven acts as an unfailing guide to pen point selection



No. TX 454 Moderne
silver combination set
of rare beauty, \$12.50

THERE are seven different pen points to select from -- each identified by a color band on the cap. Try all seven points, select the one that perfectly suits your writing style, and your dealer will see that you get a similar point in the holder of your choice.

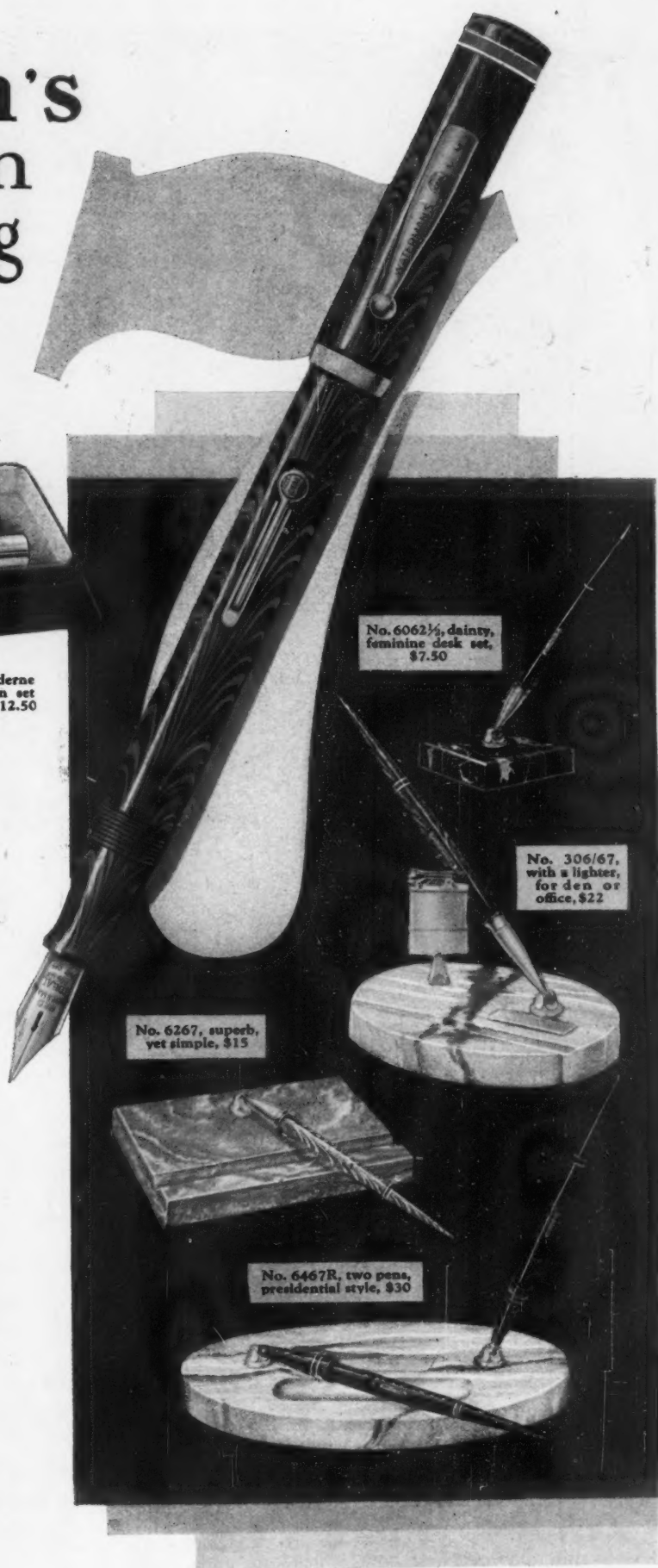
Waterman's Number Seven costs \$7, but other Waterman's may be had at prices ranging from \$5 up.

Waterman's Desk Sets shown on the right, and Waterman's Combination Pen and Pencil Sets illustrated above, make timely and acceptable gifts.

All Waterman's pens are made with the distinctive Waterman's features that have made Waterman's the choice of particular writers for nearly fifty years. Be sure to try a Waterman's before you buy a fountain pen.

*All Waterman's pens are guaranteed
forever against all defects*

Use Waterman's ink in Waterman's pens



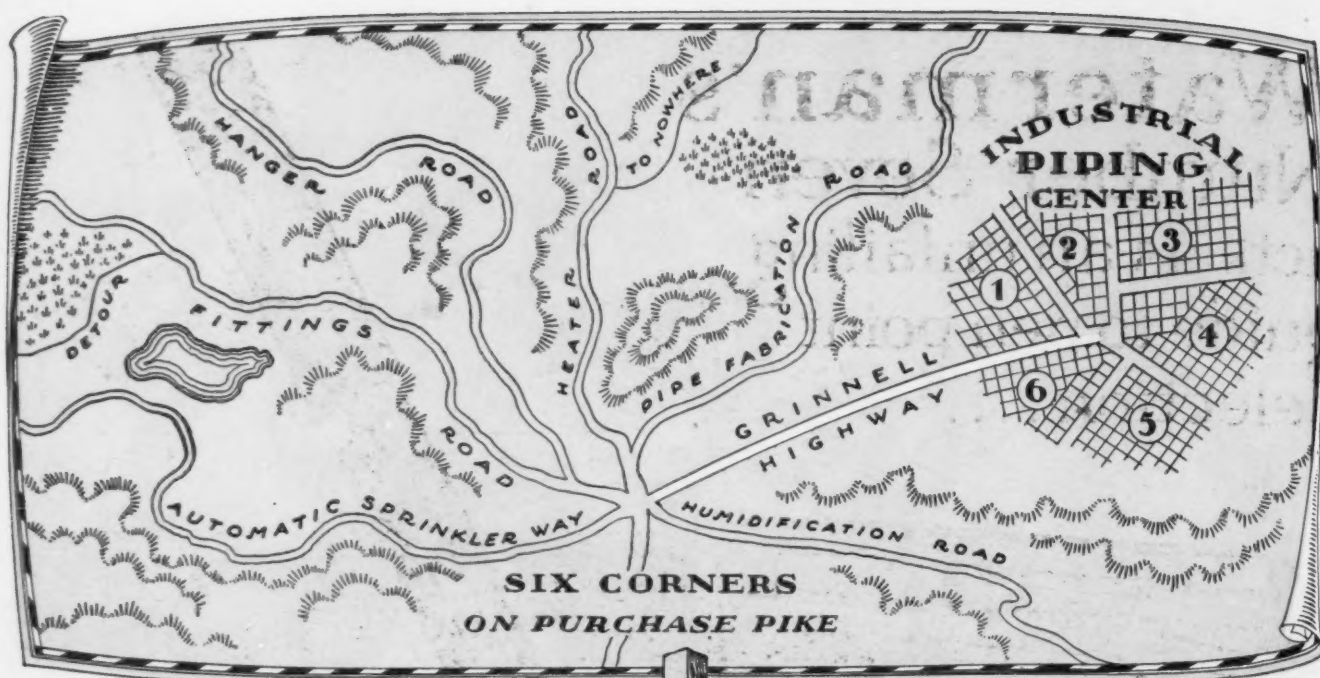
No. 6062 1/2, dainty,
feminine desk set,
\$7.50

No. 306/67,
with a lighter,
for den or
office, \$22

No. 6267, superb,
yet simple, \$15

No. 6467R, two pens,
presidential style, \$30

Waterman's



Misdirected by a signpost



AT "SIX corners" most men make a mistake on the way to buy their industrial piping requirements.

Pointing signs give no information about the roads or the destination.

A lost business man, after exploring a devious road, stopping at each trading center, finds that none is the important modern market place he expected.

If he only had an official map of the whole region, he would learn immediately that his particular industrial piping need should not be sought from some isolated company. He would see plainly the Grinnell highway to the industrial center where *all* his industrial piping needs are satisfied.

And if he had a guide book he would learn how all these Grinnell factories and Grinnell services grew up through 80 years; how experts learned from each other; how accumulated experience was exchanged by draftsmen and superintendents in the various branches of piping and piping supplies.

Consulting engineers, of course, need no map. Hundreds of the greatest industrial concerns in America

likewise take advantage of their knowledge of the complete range of products and services offered by the Grinnell Company.

This map is worth tearing out. Someone in your organization may get lost because he assumes that any road sign means a direct, safe highway to the market-place he is seeking.

At Industrial Buying Center he will meet the leading concerns of the world buying some or all of the six products mentioned below.

1. Thermolier the copper unit heater. A better and cheaper means of heating many types of industrial and commercial buildings.
2. Pipe Fabrication. Pipe bends, welded headers and the Triple XXX line for super power work.
3. Cast Iron Pipe Fittings perfectly threaded, accurately machined and rigidly inspected.
4. Pipe Hangers featuring easy adjustability after the piping is up.
5. Humidification Equipment. Complete systems employing the unique automatic control, Amco; furnished through American Moistening Company, a subsidiary.
6. Automatic Sprinkler Systems. The world's largest sprinkler manufacturer and contractor.

GRINNELL COMPANY

Executive Offices: Providence, R. I.

INCORPORATED

Branches in all Principal Cities

Encourage a Better Day's Work -with ILG Electric Ventilation

DURING cold weather when doors and windows are closed — that's when you need Ilg Electric Ventilation the most. It's the best prescription ever written for conserving the good health of the indoor worker.

Everyone feels better and works better where there's Ilg Electric Ventilation. The change in the air is delightful. Note how tobacco smoke, objectionable odors, etc., are gently whisked away. You enjoy a positive air change in any kind of weather.

Ask your electrical goods dealer for a free demonstration of the Ilg Electric Ventilator. Find out how easy and simple it is to ventilate your office, store or workshop for only a few cents a day. Make sure you see the Ilg — it's painted green — the only electric ventilator made with a fully enclosed, self-cooled motor.

Clip, sign and mail the
Coupon for Free 32-
page Booklet.

Ilg Electric Ventilating Co.
2873 North Crawford Avenue
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Reg. U. S. Pat. Off.

Ilg Products include Motor
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ers and Unit Heaters.



Ventilation

Corrects bad
air Conditions

ILG ELECTRIC VENTILATING CO.
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Without obligation send me your 32-page, illustrated book.
I am interested in correct ventilation as applied to the subject checked.

Name

Address

☐ Office ☐ Store ☐ Factory ☐ Public Building ☐ Home Kitchen

*And now—the same plump, round, firm cigarette
blended, puff by puff, with the added nicety of
TIPPED ENDS for those who prefer them* ~



Twenty Cents
PLAIN OR TIPPED

BROWN and WILLIAMSON TOBACCO CORPORATION ~ *Louisville, Kentucky*

The Secretaries Go to School

THE last ten years have brought almost as much change in chamber of commerce ethics, methods, technique, organization, and scope as they have in the field of domestic distribution," said Christy Thomas, general manager of the Seattle (Ore.) Chamber of Commerce, at the Western School for Commercial Secretaries, held in Palo Alto, Calif., in July. Mr. Thomas' statement was made during a discussion of the reasons for the general public's belief that statements of chambers of commerce are biased, even when the public takes at face value individual statements of chamber officers.

F. L. Lipman, president of the Wells Fargo and Union Trust Company of San Francisco, said that the time is approaching when "the attitude of business men toward chambers of commerce will leave little to be desired and when such organizations will grow in public confidence." This discussion was typical of those that occurred during the week-long session of the annual school.

The School presented in its faculty such practical business men as Paul Shoup, president of Southern Pacific; C. F. Wren, president of Pickwick Stages System, and W. G. Herron, vice-president of Air Investors, Inc.

Morning subjects of the School were devoted to live business topics. Afternoon topics concerned the technique of chamber management. Speakers at these were active chamber workers.

D. L. James, assistant manager of the Agriculture Department, and E. D. Borden, manager of the Domestic Distribution Department of the Chamber of Commerce of the United States, made addresses, the latter discussing the anticipated value of the coming census of distribution.

Forel

GOOD GOLF PLAYERS are so generally listed among the assets of every firm that derision of the game seems a bit out of step. Yet J. F. Dilley lets go this blast in *Chemistry and You*.

"Golf is what letter-carrying, ditch-digging and carpet-beating would be if those three tasks had to be performed on the same hot afternoon by gouty-looking gentlemen who require a different implement for every mood."

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YOUR TRUCK FLEET



**BUY IT AS
CAREFULLY
AS YOU DO
YOUR TRUCKS**

An opportunity to cut costs of transportation presents itself by insuring with the American Mutual. Policyholders, over a period of 42 years, have received back each year from this company never less than \$20 out of every \$100 spent in premiums — purchased at regular rates. Last year the dividends returned to automobile owners were almost a quarter of their insurance costs.

22% SAVED BY POLICYHOLDERS

Because The American Mutual is efficiently managed. Costs of selling are reduced to a minimum. You buy direct from salaried employees, operating from the company's own branches in principal centers. Only favorable risks are written and the best class of policyholders are attracted by the quick, efficient service rendered which includes the benefit of safety measures, instituted by an expert corps of safety engineers. Full details will be forwarded promptly if you fill in and forward the coupon below.

AMERICAN MUTUAL LIABILITY INSURANCE CO.
142 Berkeley Street, Boston

American Mutual

Also writers of Workmen's Compensation and all forms of liability insurance.

To the American Mutual, 142 Berkeley St., Boston

Please send me particulars regarding automobile and truck fleet insurance costs.

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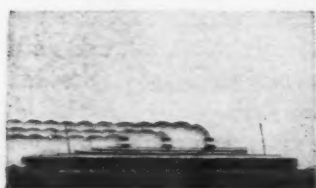
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Address _____

**LARGEST, STRONGEST AND OLDEST
MUTUAL LIABILITY INSURANCE COMPANY**

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Salute a New Era ... in American Maritime Enterprise



At the helm of the great transatlantic fleet of the American Merchant Marine—the United States Lines and the American Merchant Lines—eleven splendid ships—

is a new command, that of a vast organized group of loyal, successful American citizens. Under its leadership you are now offered a complete North Atlantic service flying the American flag. A perfect passage for every purse. If you want swiftness enriched by luxury take the Leviathan, world's largest liner. If you seek the sum total of fine accommodations, fine food, fine comfort at low rates choose one of these superb cabin liners . . . George Washington, America, Republic, President Roosevelt and President Harding. Weekly sailings direct from New York to London, too, on the five popular ships of the American Merchant Lines. To Europe? . . . Sail under the Stars and Stripes.

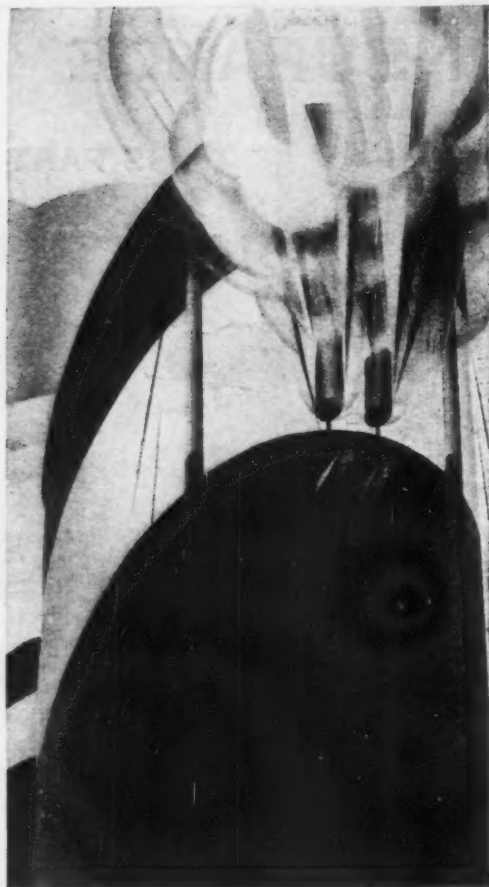
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Publishing Trends

OLD GUARD" book publishers deserve more attention than was accorded them in John Van Bibber's July article, "The Battle of the Booksellers," in the opinion of Edward L. Smith, of D. Appleton & Company, who writes:

That there are new tendencies in book publishing at the present time is generally recognized. The article in NATION'S BUSINESS for July entitled "The Battle of the Booksellers" emphasizes some of these changes but it seems to me does not touch upon certain basic problems. Your reporter speaks of the merchandising methods of a specific group of publishers and of the rise of the book clubs. He does not however give consideration to the general publishing house with a large standing list of publications, or rather he relegates such to the ranks of "Old Guard."

As a matter of fact the problems of these latter houses are totally different from those of the "younger publishers" and of mail-order concerns such as the book clubs. They offer, however, just as interesting food for thought.

How the two types differ

ONE can lay one's finger at once upon the primary difference between the two types. The older type of publisher puts on the market a rounded list of books which will supplement and fill out the titles already in his catalog. The books each season are on all kinds of subjects—fiction, biography, history, philosophy, poetry, science, books for young and old, books of every description. The "younger publishers," with inevitably narrower lines, concentrate on one or two titles a season. For the older houses the breadth of their lists supplements the occasions when individual titles are pushed into a rapid turnover and attain to top-notch positions among the best sellers. The humbler units with small initial sales, however, are the daily bread which nourishes these publishing houses in season and out.

To many in the book-publishing business the present tendency to concentrate book sales upon a limited number of titles seems unwise. By so doing no profitable list of publications can be built up which will give firm footing in the inevitable season when editorial choice may be at fault or best sellers not ready at hand. In addition there are the cultural and educational aspects of book publication which would be cur-

tailed by a reading diet of "six best sellers." The great publishing house firmly based on a general all-round list finds contact with all the agencies for progress and education throughout the country.

The problems of merchandising and advertising such a varied line of books are very different from those of the publisher who has only a handful per season. Yet these same "Old Guard" publishers push the sales of certain titles on their lists to just as huge proportions, even while offering the business man a fare of business books, for example, or the doctor volumes for his office use.

They hold their public

MAKE a list of the writers whose sales as a matter of fact exceed those on the much-circused authors told of in the article by Mr. Van Bibber: Booth Tarkington, Rafael Sabatini, Percival Christopher Wren, Edith Wharton, Zane Grey, Kathleen Norris, Joseph C. Lincoln, Hugh Walpole, John Galsworthy, Mary Roberts Rinehart, Harold Bell Wright, Sinclair Lewis, Andre Maurois, Anne Douglas Sedgwick, Lytton Strachey, Louis Bromfield, Susan Ertz, Anne Parrish, S. S. Van Dine—such a list could be continued on and on. These are all "Old Guard" authors and ones who retain their audiences year in and year out. What was the best-selling nonfiction book for 1928? Andre Maurois' "Disraeli," issued by a house over a hundred years old, which in the course of the same year published 148 titles in its trade department alone, in addition to substantial numbers in its foreign language, music, medical and educational departments.

While pushing their huge-selling titles, these general publishing houses cannot neglect the books with smaller initial markets, yet which are in the long run just as important for their financial well-being. A combination of modern publicity methods with a dignity consonant with their product is discernible in the activities of these older houses.

There is a change evident in the promotion and merchandising of books, just as there is in any business which is at a stage of expansion. Both the "younger publishers" and their elders are seizing the opportunity offered, even if their methods differ. If one dare venture a prophecy, the "younger publishers" so clamorous before the world today will find their problems changing and taking on a different complexion as—and if—they succeed in stabilizing their businesses with a foundation of steadily selling titles.



"Don't praise me!

You have a Louisville Drying Engineer to thank for that extra dividend"

"I'm glad you appreciate your extra dividend, Jim, but I can't take the credit for it. It belongs to a man who calls himself a Louisville Drying Engineer.

"He dropped in to see me about two years ago and asked permission to study our drying methods with a view to reducing our costs. I turned him over to our plant superintendent, and two or three weeks later he showed up with a report which seemed to prove that he could cut our costs in half!

"He claimed, for example, that he could eliminate all but one of the six men in our drying department, that he could cut our fuel expense at least 40%, and that he could save four-fifths of the floor space we were using.

"Knowing nothing whatever about the man, I bluntly asked him if he could prove his ability to live up to his claims. He countered by telling me that his people were the oldest exclusive builders of rotary dryers in the country, that they had satisfied more than a thousand manufacturers in fifty different industries, and that if desired they would guarantee the results he promised.

"Faced with evidence like that, we lost no time in replacing our obsolete equipment with Louisville Dryers. They paid for themselves in one year's time, and that extra dividend you're thanking me for is your share of our savings last year.

"You know, Jim, it might pay you to have a Louisville Drying Engineer investigate your own drying methods. It won't cost you anything to consult with him, and it's entirely possible that he can accomplish similar results for you."

LOUISVILLE
DRYING MACHINERY
COMPANY,
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Hull St. and Baxter Ave., Louisville, Ky.
 Export Offices, 15 Park Row, New York City
 Cable Address, Loudry, Louisville, Kentucky

5 Ways to cut drying costs

- 1 The first way is to permit Louisville Drying Engineers to make a study of your drying problems. They will recommend a Louisville Dryer which will . . .
- 2 Cut fuel expense from one-third to one-half in many cases.
- 3 Deliver dried material continuously, thus permitting of uninterrupted plant operation.
- 4 Cut the number of attendants needed to one in most instances.
- 5 Reduce the amount of floor space required as much as 80%.

When writing to LOUISVILLE DRYING MACHINERY COMPANY INCORPORATED please mention Nation's Business



Private vs. Government Ownership

By JULIUS H. BARNES

Vice President, International Chamber of Commerce



ALBERTO PIRELLI, former president of the International Chamber of Commerce, recently expressed his competent judgment in these words: "Turning now to the United States of America, I know no more extraordinary instance of practical energy. I know no more striking lesson of economic organization. To us Europeans the progress of the United States is astounding."

If America stands before the world as expressed by Mr. Pirelli, we have a responsibility to appraise the motive forces of this astounding progress.

America's realism studies the economic indicators of national attainment as a measure of past progress and a chart of future courses. But also America's idealism interprets those economic factors into the human terms which give them life and vitality.

The great totals of national wealth, the evidences of industry on gigantic scale, may fail to justify themselves before the world unless they are clearly accompanied by widespread individual possession and enlarged opportunity for health, security and enjoyment of all the people.

America believes that the indicators of material progress interpret themselves strikingly into advancing living standards. America believes that, because this is true, crystallized public opinion controls its political philosophy of government.

America believes that the extraordinary instance of practical energy to which Mr. Pirelli referred is based on an unusual stimulant to individual effort.

How striking these economic in-

dictators are, is shown, we believe, in the following table:

National Income of the United States

1890.....	\$12,082,000,000
	equaling per capita, \$192
1900.....	17,965,000,000
	equaling per capita, \$236
1910.....	30,530,000,000
	equaling per capita, \$332
1920.....	72,350,000,000
	equaling per capita, \$680
1928.....	90,000,000,000
	equaling per capita, \$750

So also the widespread distribution of buying power in America is indicated by its 25 million automobiles and its 19 million telephones.

Last year, the electrical industry reported new connections for nine million American homes, making 19 million homes now connected with electric service. This has stimulated the production

of electric irons, vacuum cleaners, sewing machines, washing machines, ranges, automatic heaters and electric refrigerators. Household drudgery is receding.

The convenience and the enjoyment of a people do not readily submit themselves to economic tables, but security of health and living has clearly followed the general development of perfected refrigeration and household cleanliness.

This contributed to the fall in the death rate of the United States from 17 per 1,000, the average of 20 years ago, to 12 per 1,000, the average of recent years demonstrating that living standards which equip the average home with the devices of modern industry make for a security of living which even holds death itself at bay.

America believes that, in seeking the motive force which has aided this progress, too much weight may be laid on its possession of natural resources. Its iron and steel industry depends on the great deposits of iron ore, but that ore, to reach the Pittsburgh furnaces, must travel 100 miles by rail, then 1,000 miles on the Great Lakes, then another 150 miles by rail to Pittsburgh, and then the products must be shipped 400 miles by rail to the Atlantic seaboard for export.

So also the cheapest copper laid down at the Atlantic seaboard is mined 2,500 miles away.

A large part of America's grain production moves into overseas markets after 1,000 to 1,500 miles of transportation. Much of America's oil moves 1,000 to 2,000 miles to market. Part of America's timber finds its home market after 5,000 miles of rail-and-water transportation around the coast.

It is evident that mere posses-



DECORATIONS BY ARTHUR RAY



AND THEN HE PUT IN TRANSFER CASES

WHAT costly hours of hunting and mauling your inactive records can consume. What costly storage space they can eat up!

But now record annoyances are needless. For Remington Rand Business Service has worked out an answer to *any* record problem you might have.

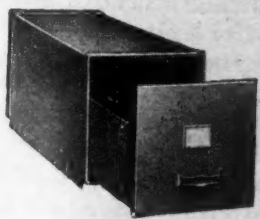
The new Remington Rand steel transfer case for inactive records

forms a compact storage unit—it saves 10% to 50% of your storage space—avoids the damage of dust and vermin—is strong enough to hold a ton—can be piled in stacks 39 feet high without losing its ease of operation—fastens snugly on bottom, top and sides—and because of huge, standardized production, costs surprisingly little.

Let a Remington Rand specialist make a free analysis of your needs.

Without any obligation on your part, he will recommend in blueprint form a money-saving, space-saving, and time-saving layout for your records. In countless cases, Remington Rand men have saved the cost of new current filing cabinets, and have avoided the renting of additional floor space.

Call the nearest Remington Rand Branch or send the coupon below to the main office at Buffalo, N. Y.



This inexpensive case can save 10% to 50% of your storage space.

Remington Rand Business Service Library Bureau

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REMINGTON RAND BUSINESS SERVICE
BUFFALO, N. Y.

☐ Please send me complete information on your filing systems for _____

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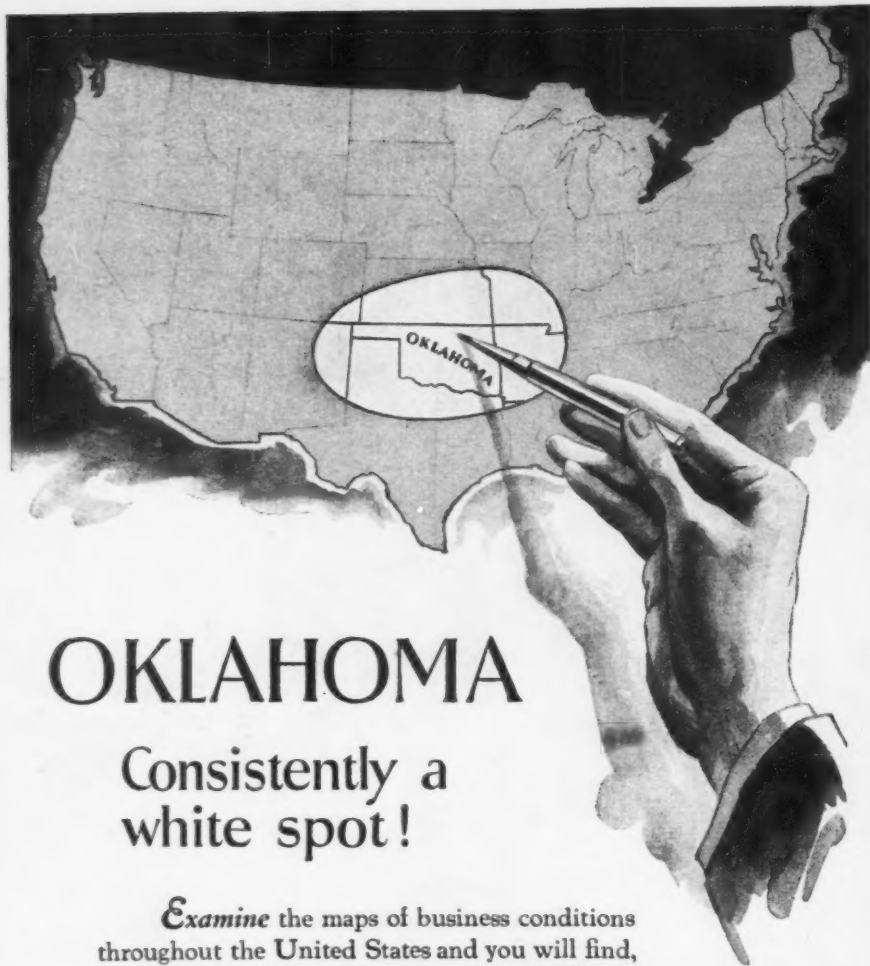
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When writing to REMINGTON RAND BUSINESS SERVICE please mention Nation's Business



OKLAHOMA

Consistently a
white spot!

Examine the maps of business conditions throughout the United States and you will find, month after month, a white area denoting "business—good" in and around Oklahoma. Not always has the entire state been included in the white spot, but rarely has there been a month in several years when some part of Oklahoma was not shown to be outstandingly prosperous.

The reasons for this favorable condition are not far to seek. The answer lies in Oklahoma's wealth and diversification of basic resources. Although the state was *second in the nation* in the value of its mineral products in 1928, it is a surprising fact that farm products brought even more income than did the minerals. Oklahoma stands *ninth* in crops, and is one of only six states producing more than a billion dollars of raw materials annually.

First in natural gas. Fuel advantages, too, have played a big part—and are destined to take an even more important role—in the prosperous development of the state. Oklahoma stands first among the states in natural gas, producing one-fifth of the nation's supply of this best of all industrial and domestic fuel.



Manufacturers interested in investigating a state where market, raw material, fuel and labor conditions are altogether exceptional—a state that is prosperous at present and holds bright promise of even greater prosperity and progress—are invited to communicate with our Industrial Department. No cost or obligation will be incurred, and all correspondence will be held strictly confidential . . . Write.

OKLAHOMA

NATURAL GAS  CORPORATION

Tulsa.....Oklahoma City

"Serving 56 Oklahoma Cities . . . One of the World's Largest Distributors of Natural Gas"

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sion of natural resources could not be the source of wealth and prosperity if unusual inventive and organization genius, followed by limitless capital investment, did not offset natural handicaps.

It is manifest that America's conversion of natural resources into the manifold forms of modern use and enjoyment rests primarily on the efficient service of three major servants of all industry—transportation, communication and power service.

Fields which offer contrasts

IT happens that these are the fields in which there is the greatest contrast of conviction and practice between public and private ownership. Moreover, they are the services in which the question of the relation of Government must be immediately faced and decided. Each field inherently must possess monopoly rights and hold this monopoly by public authority.

The problem in its practical form is how to facilitate the extension of these services to all industry, and to protect the public interest against their necessary monopolistic character.

At the same time, if they are to march in step in extension and improvement with other industry, they must show the same willingness to adapt improvements.

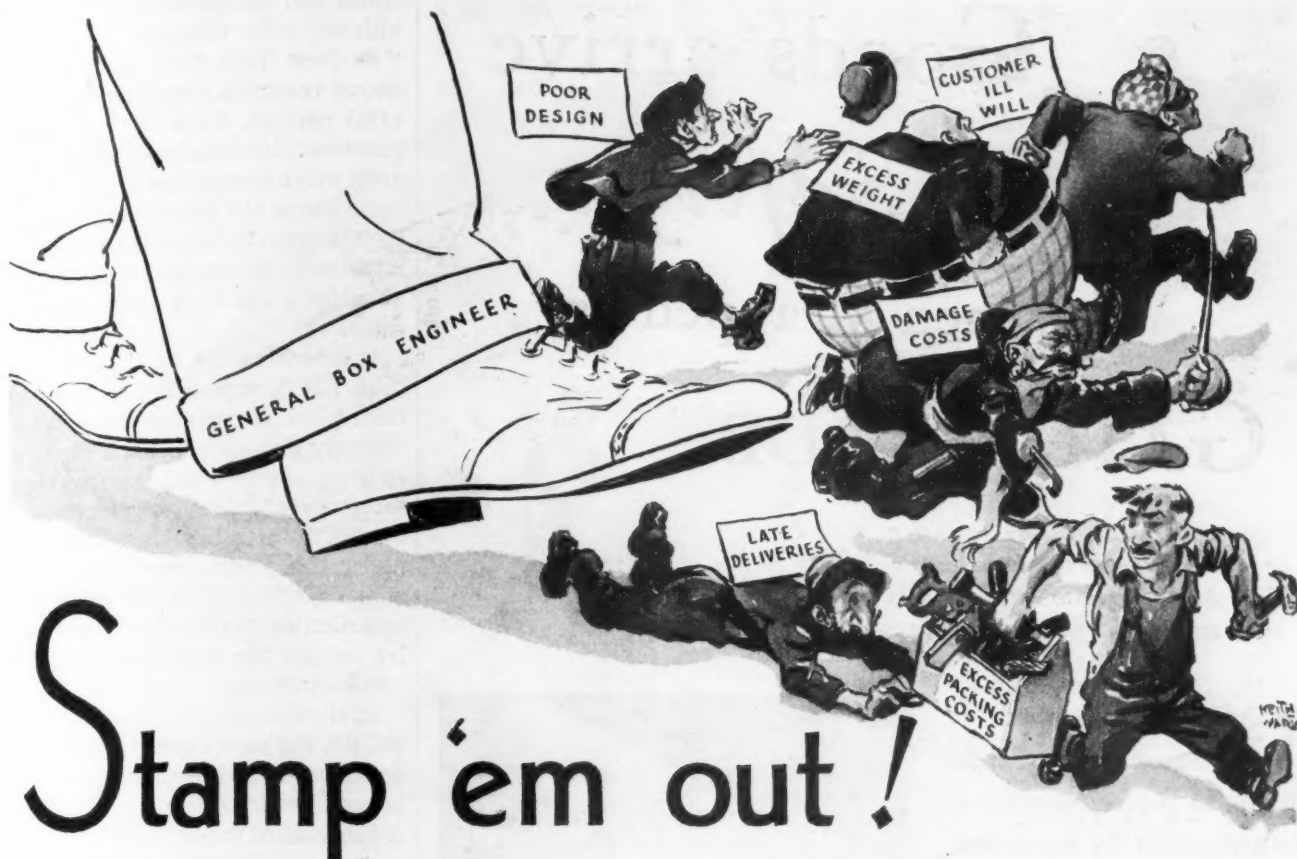
In transportation, America was fortunate that its lines of privately owned railway were not deflected for military consideration, but were developed under sound business considerations.

The extraordinary enterprise of railway management in cheapening transportation is shown by the following table:

	Average tractive capacity of loco- motives	Average capacity of freight cars	Average train load in tons of revenue
	Lbs.	Tons	Freight
1905 . . .	23,666	30.8	322
1910 . . .	27,282	35.9	380
1920 . . .	36,365	42.4	639
1928 . . .	43,590	45.9	705

This table indicates why, in spite of greatly increased wages of railway employes, and of increased cost of railroad equipment and supplies, transportation costs have lowered in terms of purchasing power, under private enterprise.

In the field of communication, America with two privately owned competing telegraph systems and one unified privately owned telephone system, has been served by a high degree of business efficiency. Any telephone in the United



Stamp 'em out!

The engineer has long been busy speeding up production and cutting costs. Now he's into distribution—the shipping room. Before his relentless footsteps the items that contribute to excessive shipping costs are fleeing for their lives. . . . Recently, as a typical example, General Box Engineers were able to set up a saving of ten thousand dollars a year on one product alone for a prominent manufacturer of steel furniture. This saving was brought about chiefly by a reduction in packing time made possible by improved design. In addition to this \$10,000.00 saving, the lighter weight of the new crate accounts

for a substantial reduction in freight and express charges. General Box Engineers have effected similar economies for thousands of manufacturers shipping a wide variety of prod-

ucts. . . . The satisfaction of lowering your shipping cost, or knowing it is already at rock bottom, may be yours for the asking. Our investigation with your help is thorough, puts you to no inconvenience, and is free. . . . Take our offer literally. Use it as a help to put your shipping room on the most economical and efficient basis possible. Our well located factories insure the steady maintenance of such economies.

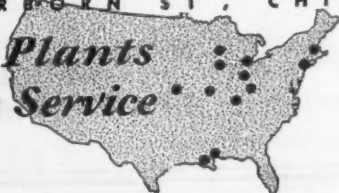
OUR OFFER

Consign your product, just as you pack it for your customers, to one of our laboratories (either 62 W. Grand Ave., Chicago, or 151 Kent Ave., Brooklyn). Our engineers will study your present box or crate, redesign it to eliminate excess costs, ship your product back in the recommended package, and submit a report that will either point the way to definite savings or give you assurance that no improvement can be made. Or, if you prefer, write for one of our engineers to study the problem in your own shipping room. The investigation is free, either way.

GENERAL BOX COMPANY

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12 Plants
One Service



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Goods arrive Safely

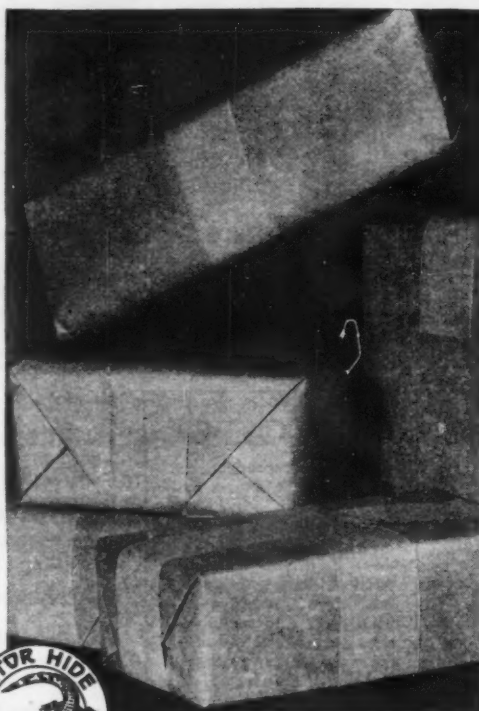
when wrapped in

GATOR-HIDE

Gator-Hide is sure protection against weather, or a rough-and-tumble journey home. It means satisfaction to the customer, and good-will to the merchant.



GOODS wrapped in Gator-Hide reach home in perfect condition—unharmed by wear and tear, moisture, or careless handling . . . Because of its firm-fibred strength and dependability under all delivery conditions, Gator-Hide is being selected as standard wrapping by an ever-increasing number of merchants. Let us send you samples, and the name of our nearest distributor. Write today.



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States can be immediately connected with any other telephone.

In New York City, the Bell Telephone research laboratory employs 4,000 persons, 2,200 of them trained scientists. Here was developed the equipment which first transmitted the human voice across the Atlantic and here also the first practical television was brought into being. It was here that scientists developed the high-speed submarine cable.

It was here the multiple telephone cable has been perfected to carry more than 1,800 pairs of electric wires, where formerly there were 50. It is impossible to imagine that public operation would recognize the value of large expenditures for the research that has justified itself under this private enterprise. In fact, it is difficult to find any outstanding contribution to the telephone art made by any of the government telephone administrations.

In the field of light and power service there is the same record of efficiency in development and administration. A vast interconnecting network of electric power has resulted in distributing peak loads so economically that rates are now lower than the pre-war basis.

Municipal electric plants, largely established in communities under 2,500 people, where private capital found difficulty in justifying its entry on a profit expectation, show a distinct recession and an absorption into the network of interchangeable private utilities. The peak of municipal ownership of electric plants was reached in 1923, with 3,066. In 1927 there were only 2,320.

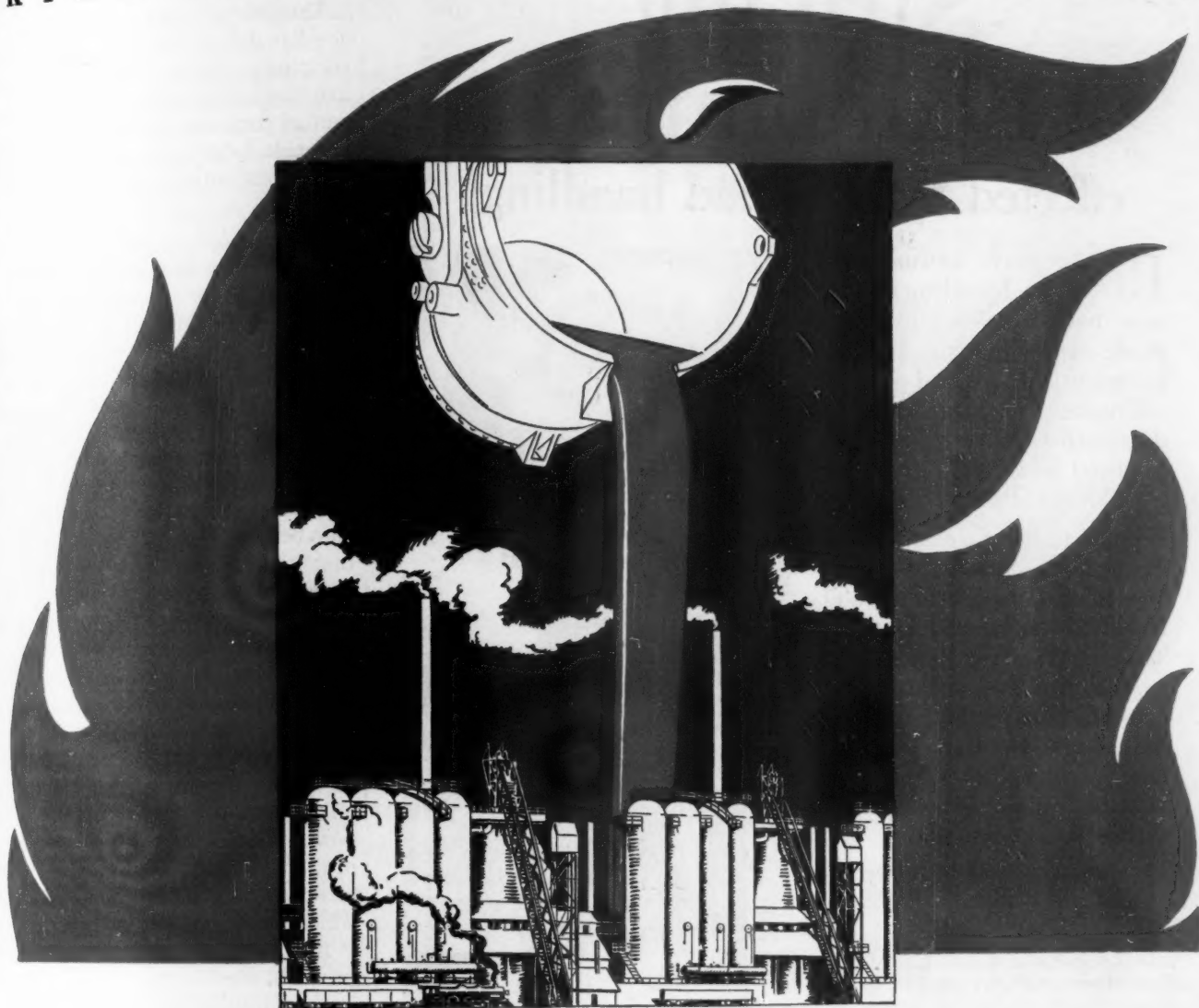
Where private enterprise leads

GOVERNMENTS may imitate the practices of private enterprise and occasionally register some advance but I submit that in these great fields of transportation, communication and electric utilities the significant accomplishments are in overwhelming measure the result of private enterprise. Looking to the future, where lie great realms of scientific discovery which we as yet have barely penetrated, it behooves us to preserve this divine spirit of individual initiative.

These three monopolistic public services are regulated by public bodies protecting the public interest through continuous and flexible control of charges and practices, always subject to appeal through the courts. But these regulatory policies within recent years have been farvisioned and intelligent.

Regulation has come to mean cooperation and stimulation. Public servants

KILL FIRE WHILE IT IS YOUNG



Metal will not burn— But plants will!

This is the Age of Metal...of Copper—Brass—Steel. Thousands of plants are humming with work, turning out the products of metal—from watches to giant locomotives. A ceaseless stream of production that spells livelihood and savings and luxury to the millions of people working with metal.

Metal will not burn. But plants will! So, 5217 metal working plants guard against Fire's inva-

sion by some type of American-LaFrance and Foamite equipment.

American-LaFrance and Foamite Protection is a complete engineering service that assures Correct Protection against fire. It includes three principles: A complete study of your plant and its fire risks by fire protection engineers. Installation of proper and adequate safeguards. And, if desired, inspection and maintenance

service by our engineers...A series of booklets describing this all-embracing service, and telling how it applies to your type of business, will be sent free. Send the coupon. American-LaFrance and Foamite Corporation, Engineers and Manufacturers, Dept. D-58, Elmira, N. Y.



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☐ Please send your booklets on Correct Protection Against Fire.

☐ Have a Fire Protection Engineer call.

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AMERICAN-LA FRANCE AND FOAMITE PROTECTION
A Complete Engineering Service
For Extinguishing Fires

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Striking Economies

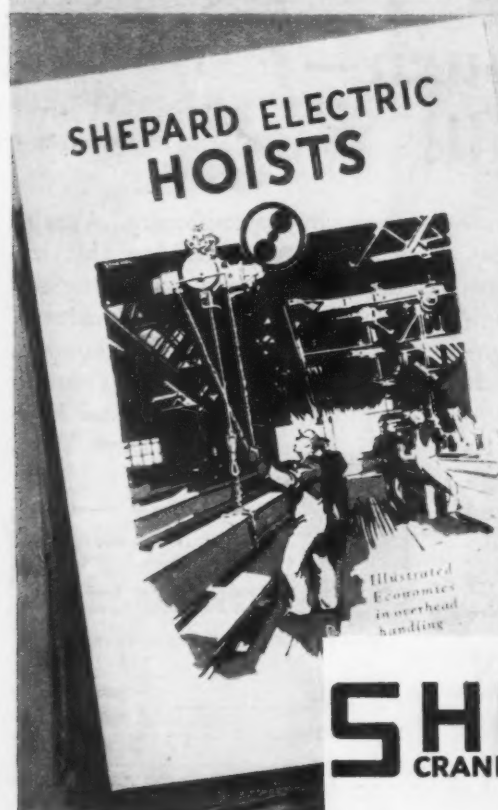
effected by overhead handling

LEARN how industry is lowering handling costs—how back-breaking jobs are made easy—how production capacity is increased—how maintenance of uniform production flow is provided for by planned overhead handling with Shepard Electric Hoists.

If you handle material of any nature, the chances are that one of the more than 5000 standard types and sizes of Shepard Electric Hoists will enable you to increase your profits. Many interesting installations are described in this new book. They will picture for you possibilities within your own plant.

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CRANE & HOIST DIVISION

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Shepard Niles Builds Traveling Cranes from 1 ton to 450 tons—

Transfer Cranes
—I-Beam Cranes
—Gantry Cranes
—Wall Cranes
—Jib Cranes
—Bracket Cranes
—Cage Operated Hoists—Floor Operated Hoists
—Cupola Chargers—Shepard Track & Switches
—Winches.



entrusted with regulation have shown, in the main, farseeing statesmanship.

The policy of regulation will, of course, develop defects at times but it is developing a relation of Government and industry based on common interest and mutual confidence. In that spirit, it can be made helpful and stimulating with no loss of sturdy protection of the public interest.

A higher business morality

HIGHER standards of ethics and practice have also developed among the leaders of regulated as well as private industry. There is a greater frankness toward the public, and greater confidence in public opinion intelligently informed. Trade associations and voluntary business organizations hold up their members to high ideals, provide contact for generous exchanges of knowledge and have been potent forces in establishing cooperative contact with Government.

But there is another phase to which any discussion of public *versus* private ownership must give serious thought.

It is clear that modern industry, served by successive invention of machines and the constant expansion of power to drive them, has entered a new era. Vast sums are invested, then scrapped, then reinvested in equipment which reflects in lowered costs.

In America today the unemployment problem, where it exists at all, is largely in the unskilled class. There is constant pressure for intelligence and training that can operate power-driven machines. Both by the economic law of competition and by reason of an enlightened attitude among employers there is a steady rise in the average wage scale.

The leadership of organized labor in America early recognized the futility of opposing labor-saving machines, and of rules of restricted output. It took, instead, the advance ground of demanding higher wage scales in recognition of the increased production of each worker. This attitude has been justified by the rising average welfare of labor.

Moreover, labor leaders recognized that government industries were inherently less enterprising, less resourceful in adapting the means of higher production, and therefore less likely to make higher wages possible.

Organized labor has therefore opposed government ownership of industries and condemned state control of labor and industry, under any guise.

Many attempts have been made to commit organized labor to approval of government operation. The most sig-

nificant official answer to these efforts was the utterance of the Executive Council of the American Federation of Labor, in 1923:

The largest freedom of action, the freest play for individual initiative and genius in industry, cannot be had under the shadow of constant incompetent political interference, meddlesomeness and restriction.

Today, both employers and employees show a growing appreciation of a certain fundamental philosophy of industry which runs something like this:

Large scale output can be marketed only on widespread buying power.

Widespread buying power rests on continuous employment and adequate wage scales and earnings.

High wages and reasonable leisure must be maintained by high individual production per worker.

High production per worker is obtained only through machine and power equipment for the worker.

All industry must be willing to venture capital in amounts never necessary before this machine and power era. Capital is properly timid, unless assured a fair field. Capital is directed in the last analysis by the individual.

Would place curb on capital

The individual can be made timid by the fear that government entry into any line of industry would extend to other industries as well. Inevitably the possibility of extension of government footing once attained in industry, would tend to halt capital from venturing into old and new industries.

We have in the United States today a President who probably typifies the new America as no other single figure. His public utterances express the new political and social concepts that are crystallizing in American public opinion. On this phase of the inevitable lowering of directing ability in government operation, he said last fall:

The hard practical fact is that business leadership must come through the sheer rise in ability and character. That rise can only take place in the free atmosphere of competition. Competition is closed by bureaucracy. Political agencies are feeble channels through which to select able leaders to conduct commercial business.

This utterance expresses clearly the philosophy of today in America.

We of America believe that in America's progress no single motive force equals the guarantee of equal opportunity that rests in a political philosophy that Government is an arbiter, an umpire of fair play in industry, and not a player in the game.



This is a Careless Nation

In the regular course of our business, we frequently see losses which need never have occurred. For that reason we feel that we must constantly urge all means of preventing fires.

Our efforts toward fire prevention are not from selfish motives, but because we see such education as a broad service to society. On your part it is a duty to protect your own property and that located near you.

True, it is our function to absorb the shock of financial loss. But many, many things once burned are lost forever; things which insurance cannot replace, such as new and exclusive processes, secret formulas, private patent papers—rare books and paintings, priceless heirlooms. Then, too, payment of money can never compensate in full for the loss of energy, time and thought.

Fire Prevention Week is a serious endeavor to urge all people to think

hard about this important subject; to study the questions of fire hazards both in business properties and at home—both in your own properties and your neighbors'.

Please accept it as such!

And please bear this in mind; that insurance rates are based upon number and amount of losses. Thus it naturally follows that marked national success in preventing fires is the forerunner of reduced rates for fire insurance.

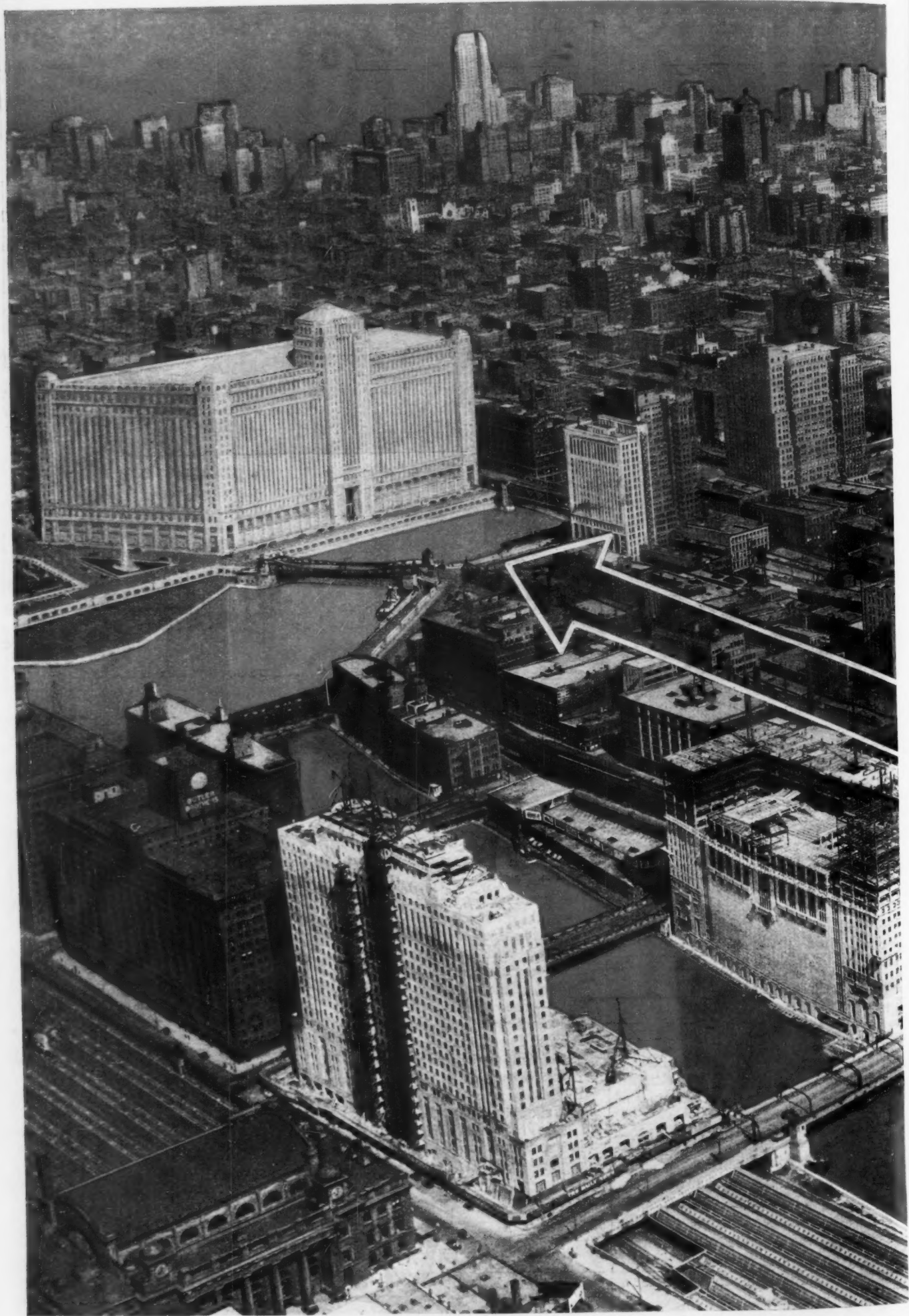
If you have not recently gone over your property with the view to ascertaining whether there are any new corners, products or processes to be protected, we suggest you call in the Agricultural agent in your community who is alert to recognize even the slightest fire hazard. Or, if you prefer, we will gladly send a special representative for free consultation as to the best modern means of fire prevention.

You can obtain
Agricultural Policies
for all coverages such as:

Fire · Parcel Post
Automobile · Marine
Use and Occupancy
Rent and Leasehold
Windstorm · Floaters
Sprinkler Leakage
Registered Mail
Transit · Earthquake
Tourists' Baggage
Explosion and Riot
Aircraft Damage

Agricultural
Insurance Company
of Watertown, N.Y.

When writing to AGRICULTURAL INSURANCE COMPANY please mention Nation's Business



When writing to THE MERCHANDISE

An aerial photograph of the Chicago skyline, showing numerous skyscrapers and buildings. The city is densely packed with structures, and the Chicago River is visible in the lower left corner. The image is in black and white and serves as the background for the advertisement.

THE MERCHANDISE MART

rapidly nears completion. It is the world's largest building—but that is secondary. It will be great in proportions merely because America's vast army of manufacturers, distributors and importers of general merchandise requires its 4,000,000 square feet of floor space. They are leasing sales space in the Colossus of Marketplaces—joining hands as neighbors in their respective industries—to promote the New Economy. This means simplified buying for the merchant. It means more frequent and less costly trips to market with resultant additional sales for those who occupy sales and display space here at the commercial crossroads of the nation. Industries will be housed on single floors. Ready for occupancy early in 1930. Desirable spaces are still available and include flexible storage facilities. Request literature and floor plans without delay. Address 215 West Wacker Drive,

CHICAGO

to create paying AIRPORTS



Thousands of American cities, spurred by the enthusiasm of forward thinking men, are at this moment preparing airport projects.

These airport plans will be carried to a successful conclusion only where each step is undertaken with the firm knowledge of professional experience.

It is the function of the American Airports Corporation to serve such communities.

Our staff of financial advisors, realtors, engineers, architects and aviation executives is at your service in every airport problem, ready to act either directly or in a consulting capacity.

Our airport functions include:—

**FINANCING
ENGINEERING
CONSTRUCTION
OPERATION**

**AMERICAN AIRPORTS
CORPORATION**

527 Fifth Avenue, New York

Write for Descriptive Circular B-2

When writing please mention Nation's Business

The Map of the Nation's Business

(Continued from page 37)

when figures for the full year are available.

The textile and other light industries appeared to be stepping up operations as the country entered the fall season, but it must be said that in nearly every line, activities in August, as in other summer months, were much ahead of a year ago.

The silk mills ran at a high pace, deliveries of raw silk for August being 17.4 per cent above a year ago and the largest for any month in the history of the industry. Raw-silk imports showed a gain of 4.1 per cent over last August and set a new high record. For the eight months ended with August gains of 9.5 per cent and 8.9 per cent were shown, respectively, in silk imports and mill takings.

Cotton-mill operations were curtailed somewhat during August and this was reflected in firmer prices for certain constructions. Trade in cotton goods was brisker after Labor Day holiday and the mills were said to be generally active.

Woolens and worsteds have sold fairly well throughout the year with perhaps more emphasis on the latter textile, and woolen-mill operations and consumption of raw wool have run consistently above the levels of recent years.

Consumption of raw wool for the first seven months of the year showed an increase of 12.2 per cent over the like period of 1928 but despite this increase, prices have not shown much improvement, owing to the heavy United States clip and large supplies elsewhere.

Shoe leathers in demand

SHOE production in July showed a gain of 6.4 per cent over the like month a year ago, while, for the seven months ended with July, there was an increase of three per cent. With this activity in the manufacturing plants, sole leather and some types of upper leathers were in good demand with prices firm and trading active.

Radio manufacturers had a fairly good summer, with much less a decline in new business than is generally expected. They began to speed plant operations in early September in preparation for winter and holiday trade. Some furniture manufacturers booked good orders for radio cabinets and these combined with a slight improvement in the furniture trade at wholesale and retail, induced more optimism in the industry.

Hardwood lumber has consequently been bought somewhat more freely, although orders for soft woods have run below production. This, of course, is a reflection of the comparative sluggishness of the building industry.

Building operations decline

BUILDING permit values in August showed a decline of 23.4 per cent from the same month a year ago, with New York displaying a drop of 45 per cent, while the cities outside New York fell off 18.6 per cent. For the eight months ended with August there was a decrease of 5.7 per cent from the corresponding period of last year. Brick production and consumption reflected the decline.

As to the heavy industries, new records of production for August and the eight months ended with August were established in many lines. There was, however, some reduction in activity in early September, partly reflecting the seasonal decline in sales of automobiles, and partly the need for making repairs to steel and other plants.

August pig-iron production increased 22.6 per cent over the like month of last year, while for the eight months ended with August there was a gain of 18 per cent, new records being established for both periods. Steel-ingot production showed a gain of 17.8 per cent over August a year ago and the eight months' period showed an increase of 18.1 per cent.

Pig-iron consumption has been heavy through the year and prices have held generally firm except in the South where producers reduced their quotations sharply in August. However, the alacrity with which consumers of pig iron responded to the cut in southern prices soon induced more firmness.

August and early September brought some decline in orders for railroad rolling stock and agricultural implements, after unusual activity in the earlier months of the year. On the other hand, fall buying of rails opened well, structural steel was ordered actively and machine tool sales gained. In the non-ferrous metals field, the leading feature was a sharp increase in sales of copper with a consequent firmness in prices.

Automobile production for August gained five per cent over a year ago and in the eight months ended with August there was an increase of 37 per cent, the outputs setting new records for those periods. It seems certain that

INTERNATIONAL

Good Trucks For YOUR Business



Blue Valley's 162 Trucks Prove It

Here are a few of the many dairy companies that operate with International Trucks:

Armour Creameries
Blue Valley Creamery Company
Bowman Dairy Company
City Milk Company
Cloverleaf Creamery Company
Dairyman's Co-operative Creamery Company
Dolbey Ice Cream Company
Eastern Dairies, Inc.
Glen Iris Dairy
Indiana Condensed Milk Company
Kelley Ice Cream Company
Kraft Cheese Distributors
Meyer Dairy Company
Mutual Creamery Company
Pickerington Creamery Company
P. E. Sharpless Company
Sherman White and Company
Springfield Dairy Company
Tri-State Ice Cream Company
Turner Centre System
United Dairy System
Waukesha Milk Company
Wisconsin Creameries
York Sanitary Milk Company

What the Blue Valley Creamery Company has proved in its business applies equally to your business whether you use trucks for heavy hauling or for delivering dainty delicacies.

Back in 1921, Blue Valley put its first International Truck on the job, delivering its widely known Blue Valley Butter. Recently, in St. Joseph, Mo., it was finally replaced. And because it had served so faithfully and economically for 8 long years, it was replaced by another International.

In all, there are 162 testimonials to International satisfaction in the fleet of the Blue Valley Creamery

Company that operates out of 23 branches scattered over 14 states.

When any company has need for that many trucks in its business, those trucks have an important bearing on its profits. And the fact that so many large institutions in every line of business use large fleets of Internationals is excellent evidence that these trucks would be good for your business.

There is a type of International for every possible need from heavy hauling to fast light delivery. We invite you to try one on your job — to give it any reasonable test. There is an International Branch or Dealer near you and at your service.

The International line includes the Special Delivery for loads up to ¾-ton; the 1-ton Six Speed Special; 4 and 6-cylinder Speed Trucks of 1¼, 1½ and 2-ton sizes; Heavy Duty Trucks ranging from 2½-ton to 5-ton sizes; Motor Coaches, and McCormick-Deering Industrial Tractors. Sold and Serviced by 172 Company-owned Branches in the United States and Canada and dealers everywhere.

INTERNATIONAL HARVESTER COMPANY
606 SO. MICHIGAN AVE. OF AMERICA (INCORPORATED) CHICAGO, ILLINOIS

INTERNATIONAL TRUCKS

When writing to INTERNATIONAL HARVESTER COMPANY please mention Nation's Business



KANSAS CITY SKYSCRAPER SETS A DEAD LINE OF CORK

*Roof insulation keeps
Summer Heat Out . . .
. . . Winter Warmth In*

"IT'S a modern skyscraper . . . modern from basement to roof." Thus do native sons proudly describe the Southwestern Bell Telephone Building, today an outstanding feature of Kansas City's skyline.

Yes, modern from basement to roof. For example, the roof. Hoit, Price & Barnes, architects, will tell you the building is safeguarded by the most up-to-date insulation—an adequate thickness of Armstrong's Corkboard on the roof.

What does this mean for the Southwestern Bell Telephone Building? A cork deadline—keeping out summer's heat, keeping in winter's furnace warmth—making the top-floor rooms comfortable the year around and saving the insulation cost in fuel economy.

Perhaps you'd like the facts and figures about this modern roof insulation, the insulation that is really adequate. Then write for the illustrated, 32-page book, "The Insulation of Roofs with Armstrong's Corkboard." Or we'll gladly give you personal service, without obligation on your part. Armstrong Cork & Insulation Company, 903 Concord Street, Lancaster, Pa.; McGill Building, Montreal; 11 Brant Street, Toronto.

Armstrong's Corkboard Insulation

For the Roofs of All Buildings

When writing to ARMSTRONG CORK & INSULATION COMPANY please mention Nation's Business

the year's production will far exceed that of any other year on record. Sales, however, of new cars showed some recession as the summer waned, this being described as largely seasonal, and the used car problem continued a source of much complaint.

Tire production curtailed

THE DROP in car sales was echoed by a reduction in tire sales, and tire manufacturers, with heavy inventories, cut mill operations. Sales of automobile accessories held up better than did the movement of finished cars and tires.

Some estimates of leading crops as of early September, may be of interest. The yield of cotton was estimated as 14,825,000 bales, a decrease of 4.6 per cent from the 15,543,000 bales indicated in August and but little larger than the 1928 crop of 14,478,000 bales. The yield per acre of lint cotton was set at 152.2 pounds, compared with 152.9 pounds last year.

The winter-wheat crop was put at 568 million bushels and the spring-wheat yield at 217 million bushels, declines of 1.7 per cent and 33 per cent, respectively, from last year. The total wheat crop was thus indicated as 785 million bushels as against 902 million bushels in 1928, a reduction of 12.9 per cent. The decline in all wheat of 117 million bushels, with a drop of about 272 million bushels in the indicated Canadian crop, accounted for the strength of wheat futures, despite the much larger carryover this year. Some farmers in the Northwest were said to be holding their wheat for still higher prices.

The corn crop was estimated in early September at 2,456 million bushels, a decrease of 13.3 per cent from a year ago and apparently the smallest yield since 1924. A yield of 1,205 million bushels of oats was indicated, a decline of 16.7 per cent from 1928.

In August, which, it may be mentioned, had the same number of business days as a year ago and was, therefore, strictly comparable with that month, the mail-order houses displayed an increase of 30.6 per cent in sales, while the chain stores showed a gain of 33.4 per cent over August a year ago.

Sales of the two groups of retail establishments combined registered an increase of 32.5 per cent. For the eight months ending with August, mail-order sales rose 30.4 per cent, chain-store sales gained 27.5 per cent and the two combined showed an increase of 28.4 per cent. Department-store sales, as usual, tended to lag somewhat behind the other two branches of distribution.

A check with a thousand barriers against alteration



EVERY Todd Greenbac Check carries hidden beneath its handsome, intricately patterned surface more than a thousand defenses against the crook. Immediately, at the touch of acid or ink eradicator many impressions of the word "Void" leap out, cancel the check and frustrate the forger. What a remarkable protection for your funds! A check that cancels itself as soon as danger threatens! Todd Greenbac Check it is—the only check with this marvelous defense against alteration.

Todd Greenbac Checks with their patented self-canceling feature prevent change of payee's name, date and number, and the possibility of counterfeiting.

The manner of their manufacture is carefully guarded. By a secret process, interlocking patterns of several colors are used to form a beautifully finished surface in which are concealed the thousand and

more imprints of "Void." Every sheet of Greenbac paper is registered and every step in the making of these checks is guarded. They are never sold in blank sheets but are lithographed and printed only to individual order—and they are delivered *under seal* to the customer.

Todd Greenbac Checks are made of the highest quality paper and have the individuality of a personal bank note. Yet the price of these attractive, safe checks is moderate. Let a Todd representative in your city demonstrate the Greenbac. Or return the coupon for complete information. The Todd Company,



Protectograph Division. (Est. 1899.) Rochester, N. Y. Sole makers of the Protectograph, the new Super-Safety Checks and Todd Greenbac Checks.

Because Todd users qualify as preferred risks they enjoy discounts of from 25 to 60% of standard premiums for forgery insurance.



TODD SYSTEM

OF CHECK PROTECTION

THE TODD COMPANY
Protectograph Division
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Please send me further information
about Todd Greenbac Checks.

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Address _____

Business _____

When writing THE TODD COMPANY please mention Nation's Business

Edison Observes an Anniversary

By EARL REEVES

HE IS the first American—he is a man with a twenty-billion-dollar brain.

He has lived many lives, and thanks chiefly to him we crowd into a single span the experiences and activity of two or three such lives as our grandfathers lived. In work-hours alone he has outlived three men, and as for the *intensity* of his living—one can only guess.

One can only guess also at the economic and sociological effects of his life. They are beyond computation. He is the bedrock of his times! So many of his works are the fiber of our lives!

To Thomas A. Edison several months ago came a very old friend. He wished Edison's help on a story of the inventor's life, and there was an incidental \$25,000 interest in it. The Sage tilted his face toward the ceiling of the famous galleried library at his laboratory and laughed. Did his visitor not know that his biography had been written?

Yes, the "Life" was written, by associates, when he was 63. An appropriate time, for most men; but too early, in the case of an Edison. He has lived another normal span, at least, since then—all of which is compressed into three new chapters in "Edison, His Life and Inventions," which is Harper and Brothers' offering by way of celebration of the fiftieth anniversary of the incandescent lamp.

Two years of work William H. Meadowcroft put into the collection of the data which went into the 1910 edition of the "Dyer and Martin" biography. Meadowcroft, who for more than 40 years has been Mr. Edison's assistant, adds three chapters, revises a fourth and now ap-



FROM "EDISON, HIS LIFE AND INVENTIONS," HARPER'S

Edison as he appeared after five days and nights of continuous work in perfecting his phonograph (June 16, 1888)

pears as a "collaborator." The work is monumental. But one may be forgiven a wish that a certain war-time anecdote might be inserted.

Secretary Josephus Daniels sought the aid of the "Electrical Wizard" in fighting the submarine. Typically, Edison asked for all the data. He studied it. All awaited a momentous invention.

He had a recommendation to make. There was excitement.

"The records show that an overwhelming percentage of the losses are in such and such a triangle, between certain hours," Edison said. "See that no ships pass through that area during those hours."

Inventions by hard work

SOME keyed-up imaginations descended with a thud. This was not wizardry! No, but how typical it was. I seem to recall that he has said that one invention came to him via the thin blue ether—conjured into the here by some magic or other—but that the rest were built on a perfectly huge collection of facts, to which common sense and *much*

hard work were added.

As the silence deepened friends at one time prevailed upon Edison to consent to an operation which specialists were certain would restore his hearing. But on the morning of the appointed day Edison was deep in a new and enthralling problem; and moreover, he had decided that he might be neither so happy nor so efficient if the protective silence were broken.

Every few years this man who "never went to school"—he attended grade school but a few months, and stood at the bottom of his class

—has plunged into some entirely new problem. Each plunge involves for him the reading of everything available on the subject—a new "university course," from cellar to attic.

"For 60 years I've been working in mechanics, electricity and physics," he said a while ago. "I'd welcome a change."

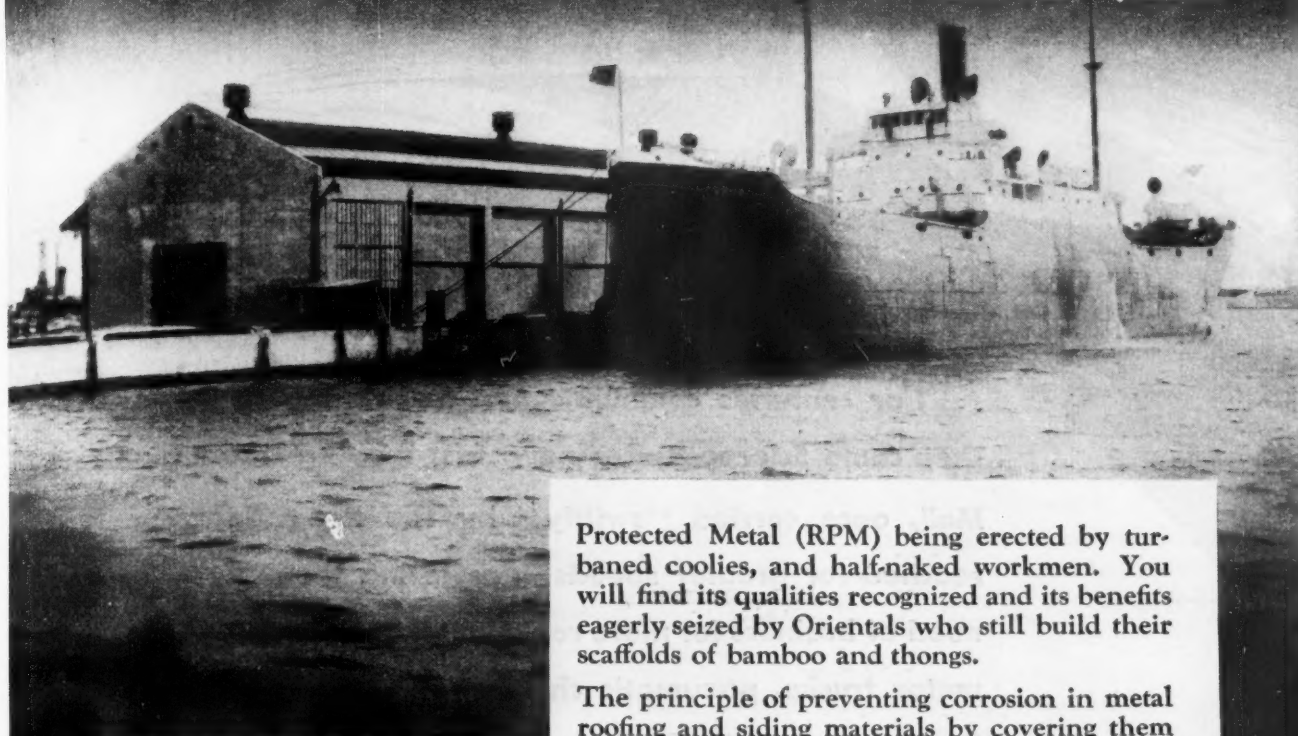
And being past 80, with zest undimmed, he set out on another incredibly laborious task, the discovery, development, growth and processing of a rubber plant which can be reaped as an annual crop—to insure that our motorization will continue in the emergency of war-time.

Among Edison's "brain children," now grown big in the realm of established industries, Meadowcroft lists the following:

Central station lighting and power, isolated power and lighting, incandescent lamps, dynamos and motors, electric fixtures, electric railways, telephone systems, telegraph systems, motion-picture theatres, motion-picture production, telephone and telegraph apparatus, radio broadcasting, radio manufacturing.

Each owes its existence to Edison ex-

EVERYWHERE



Protected Metal (RPM) being erected by turbaned coolies, and half-naked workmen. You will find its qualities recognized and its benefits eagerly seized by Orientals who still build their scaffolds of bamboo and thongs.

The principle of preventing corrosion in metal roofing and siding materials by covering them permanently with external coatings was developed in this country, but it has penetrated to some of the remotest corners of the earth. Robertson Protected Metal is fighting corrosion under almost every conceivable condition . . . where salt water and sea air eat away other building materials; where fumes and acids fill the air; where smoke and moisture do their damage.

DOWN in the ports of Ceylon, where millions of pounds of tea come out to the world . . . over in Managua where huge bales of coffee go plopping down into the steamer holds . . . in the Malays where the greatest tin smelting works in the world are located . . . at Sydney where wool and frozen meats fill the vessels . . . in Karachi, the gateway to one of the vastest of granaries . . . in Hong Kong and Bombay, in Auckland and San Salvador, in the heat of the African Gold Coast and the cold of northern Sweden . . .

. . . ride into almost any port in the world and you will find the diverse races of mankind just as concerned about the expense and annoyance of building corrosion as you are here in America.

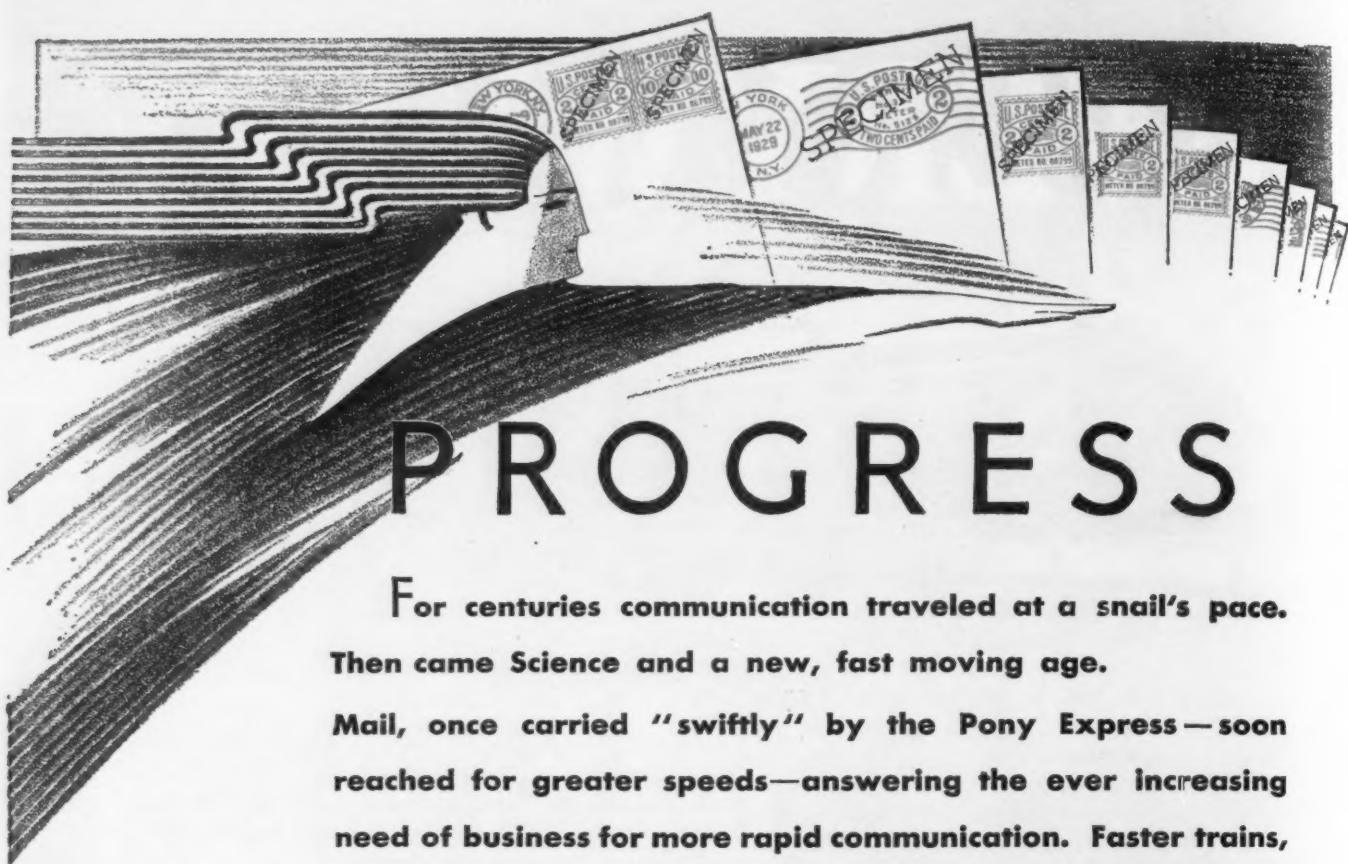
And you will find, in these ports on all the Seven Seas, a product from America which has marked one of the most important advances in the battle against corrosion. That is the Robertson process of protecting metal. You will find Robertson

Are you, here at home, reaping the benefits of the corrosion-freedom which RPM has made possible? Do the roofs and walls of your buildings corrode? Do they require painting to keep them in service? RPM can put an end to that. Let us send you information about the use of RPM on your industrial buildings. No obligation; just write to us.

H. H. ROBERTSON CO., PITTSBURGH



ROBERTSON



PROGRESS

For centuries communication traveled at a snail's pace. Then came Science and a new, fast moving age.

Mail, once carried "swiftly" by the Pony Express—soon reached for greater speeds—answering the ever increasing need of business for more rapid communication. Faster trains, motor trucks, pneumatic chutes, high-speed machinery and finally the Air Mail—all seemed to save the last minute. The Government could do no more.

But Science again speaks—Hours can be saved on business mail. A new Government approved method—Metered Mail—eliminates cumbersome stamps and three time-consuming operations in the Post Office.

Already Metered Mail is speeding the business of America's largest concerns. It is available and practical for any responsible business regardless of the size or variety of its mail, and its use is increasing by leaps and bounds.

The postage stamp is going out of business.

That is Progress!

METERED MAIL

the method that made stamps obsolete

THE POSTAGE METER COMPANY — Sole Distributors of **PITNEY-BOWES MAILING EQUIPMENT**

Main Office: 333 **PACIFIC STREET, STAMFORD, CONN.**—Offices in 21 cities

3085

When writing to THE POSTAGE METER COMPANY please mention Nation's Business

periments, though obviously many men cooperated to create the industries as wholes.

A statistical total shows that "some of the industries in the United States directly founded upon or affected by inventions of Thomas A. Edison" add up as follows:

Investment	\$21,585,000,000
Gross Revenue ..	6,311,500,000
Employees	1,388,000
Pay Roll	2,057,000,000

There is a summary over which many arguments might be waged, the nub being "Who creates wealth?"

The chapter on the value of Edison's inventions closes with the Sage leaning back in his chair, after an exchange of reminiscences, and with a smile saying:

"Say, I have been mixed up in a whole lot of things, haven't I?"

Here also we find those reminiscences which are in effect an account of the birth of the electrical industry by the founder of that industry. I have compiled from various pages Edisonian recollections appropriate to the anniversary now being celebrated.

On October 21, 1879, after experiments costing \$40,000, Edison and his assistants produced an incandescent lamp which burned for 40 hours.

"None of us could go to bed," Edison has said. "We just sat and watched it with growing elation."

Again:

"In the early days of the manufacture of electric lamps they were costing about \$1.25 each, so I said to the company:

"If you will give me a contract during the life of the patents, I will make and deliver the lamps for 40 cents."

Lamps cheaper and cheaper

"THE company jumped at the chance and a contract was drawn up. We moved the lamp works to Harrison, N. J. The first year the lamps cost us about \$1.10 each. We sold them for 40 cents; but there were only about 20 or 30 thousand of them. The next year they cost us about 70 cents, and we sold them for 40, and we lost a lot more money the second year than we had the first.

"The third year I succeeded in changing processes until they cost somewhere around 50 cents, and lost still more money. The fourth year I got it down to 37 cents and made up all my previous losses.

"I finally got the cost down to 22 cents and sold them at 40 and they were made by the million; whereupon Wall Street people thought it was a very lucrative business, so they concluded

they would like to have it, and bought us out.

"When we formed the works at Harrison we had divided the interests into 100 shares at \$100 par. Finally we got around to the point where the board declared a dividend every Saturday night. The works sold for \$1,085,000."

In regard to the problem of selling individual power plants:

Overcoming fear resistance

"ONE day W. H. Vanderbilt came in (to the office at 65 Fifth Avenue), saw the light, and decided that he would have his new house lighted with it.

"After we had got the boilers and wires all done, and the lights in position, and thought we would have an exhibition before the house was quite finished, Mr. Vanderbilt and his wife and some of his daughters came in. They were there a few minutes when a fire occurred. The large picture gallery was lined with silk cloth interwoven with fine metallic thread. In some manner two wires had got crossed with this tinsel, which became red-hot. I ordered the power shut off immediately.

"Mrs. Vanderbilt became hysterical and wanted to know where it came from. We told her we had a plant in the cellar, and when she learned we had a boiler there she said she would not occupy the house. She would not live over a boiler. We had to take the whole installation out."

Later current was wired in.

"Our plant for manufacturing heavy machinery was in Goerck Street, not in a desirable neighborhood," Edison recalls. "The street was lined with poor tenements. We had not much frontage. Our business increased enormously and our quarters became too small, so we saw the district Tammany leader and asked him if we could store castings and other things on our sidewalk. He gave us permission on the condition that when a man came with a note from him asking for a job we were to put him on.

"We had a foreman, 'Big Jim,' who could lift about half a ton. When a Tammany aspirant appeared he was told to go right to work at \$1.50 a day. The next day he was told to lift a certain piece. Jim could lift it easily. The man could not—so he'd be fired.

"But the Tammany leader finally called a halt when we started running the big lathes on the sidewalk. They were belted through the windows of the shop. The Boss thought that was too much. . . ."

"We had our labor troubles. It seems that I had rather a socialist strain. I

raised the pay to 25 cents an hour above the prevailing rates. I thought it would pay. Hoe and Co., our neighbors, protested; but I told them I thought it was all right. After a while the men thought I was easy, and that they would try coercion and get more. Whereupon they struck.

"However, it happened to be when we were short of money for the pay rolls and we thought the strike might not be so bad.

"The men appointed a committee to meet us, but for two weeks they could not find us, so they became somewhat more anxious than we were. Finally they said they would like to go back, and we agreed to let them. . . ."

Regarding another phase:

"In New York when I sought to put wires underground in tubes some one protested. 'Some electrical companies wanted all the air; others apparently had use for all the water: Edison only asked for the earth!'

"When I was laying the tubes I received notice from the commissioner of Public Works to appear at his office at a certain hour. On arrival the commissioner said to me, 'You are putting down those tubes. The Department of Public Works requires that you should have five inspectors to look after this work, and their salary shall be \$5 a day, payable at the end of each week.'

"I went away crestfallen, thinking I would be delayed and harassed. We watched for those inspectors to appear. The only appearance they made was to draw their pay Saturday afternoon. . . ."

Early business methods

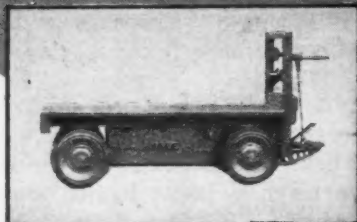
EDISON also takes a look at the business office of the early '80's.

"During the period we were not very commercial," he recalls. "We put many customers on but did not make out many bills. We were more interested in the technical condition of the station than in the commercial part. We started to collect some bills, but we found that our books were badly kept. So I hired a telephone man named Chinnock and made him a personal guarantee, that if he would take hold of the station and put it on a commercial basis, and pay five per cent on \$600,000, I would give him \$10,000 out of my own pocket. He performed the feat and I paid him.

"Years afterward I applied to the Edison Electric Lights Company, asking them if they would not like to pay me this money, as it was spent when I was very hard up and it made the company a success, and was the foundation of their prosperity. They were 'sorry.'"

TRADE **YALE** MARK

UNITED



K20—4,000 pounds and 6,000 pound capacities

YALE Electric Industrial Trucks, Tractors and Trailers set the standards of service for such types of materials handling equipment.

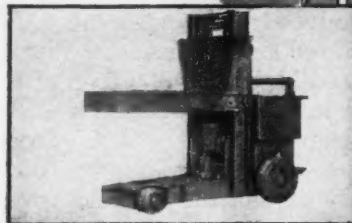
Yale through its purchase of Stuebing has brought about an unparalleled companionship of Electric Industrial Trucks, Hand Lift Trucks and Skid Platforms. The Stuebing organization and products are being maintained intact.

The complete line of Yale Electric Industrial Trucks affords you a selection of models and types that will handle your particular transportation problem at the lowest cost, and with maximum maintained efficiency.

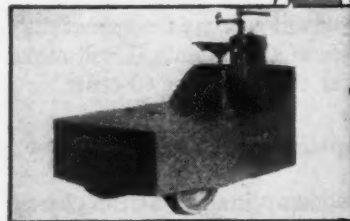
Yale Engineers will gladly study your particular material handling needs, without obligation to you. Just phone or write our nearest representative.



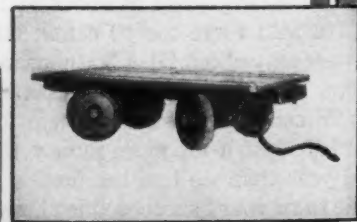
**K23E—6,000 pound capacity
—low lift**



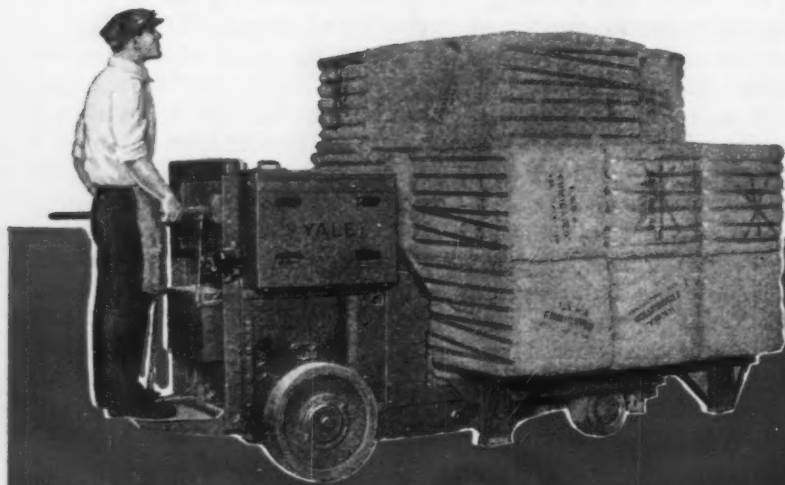
**K25—6,000 pound capacity
—high lift**



K24B—3 Wheel Tractor



K67—4 Wheel Steer Trailer

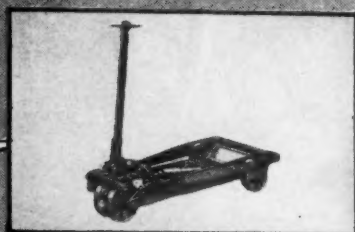


THE YALE & TOWNE

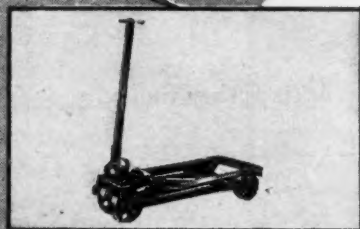
Stamford, Connecticut

SERVICE

Stuebing



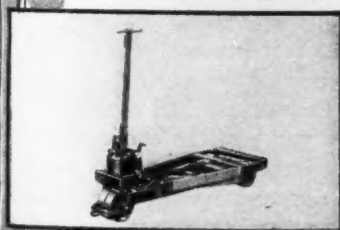
*Blue Streak,
2,500 pound capacity*



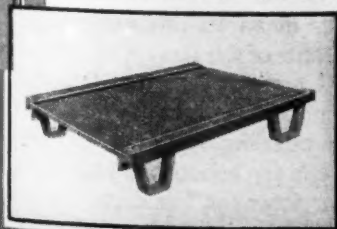
Red Streak, 5,000 pound capacity fully ball-bearing equipped



KX Model, multiple lift, 5,000 pound capacity



X Model, multiple lift, capacities up to 20,000 pounds



Stuebing Skid Platforms—wood bound type

STUEBING Lift Trucks and Skid Platforms now have even greater significance in the materials handling field through their union with the world famous Yale organization.

Facilities in production, distribution and service, heretofore unexcelled with Stuebing, become further strengthened by their association with Yale materials handling equipment.

In selecting Yale Stuebing equipment you have a complete line from which to choose that particular model or type or system especially suited to your conditions for loads ranging from 500 to 20,000 pounds.

And furthermore, Yale Stuebing service is accessible everywhere, a factor industry is keen to appreciate. Have our nearest representative explain the many added advantages now available in the Yale Stuebing line, or write direct to us.



MANUFACTURING CO
The Stuebing Cowan Division, Cincinnati, Ohio



They let the tops of the galoshes flap open as they walked

The Flapper Makes a New Business

By FRED B. BARTON

ILLUSTRATIONS BY CARD

THE cunning little girl of today has cast many businesses into the discard with her high disregard for warm clothes, big hats, cotton hose, and her preference for lunching at soda fountains rather than at restaurants.

Though pulpits resound and doctors shake their heads, the frail young things go ahead being stylish rather than comfortable, bizarre rather than commonplace, and always a step or a leap ahead of the rest of this dull old world.

Some businesses go frantic trying to guess what the gay chits will demand next. There are hundreds of shades of silk hosiery, and still the girls demand something new.

But the rubber-footwear business got itself nicely on its feet by recognizing girls as a potent factor in its affairs, and by adapting its merchandise to suit the demands of this exacting trade.

Think back to the far-away days of 1922. Things were different then. Smoking was still largely a masculine affair.

The first three-layer toasted sandwich was just appearing, and the flock of "sandwich shoppes" was yet to be born. Automobiles were mostly flivvers; the world was still without balloon tires; women's styles were still feeling their way, so to speak, and skirts were conservative and stockings black.

Those were the days when high-school and college girls started wearing huge galoshes.

Because life is sweet and time is short, they refused to stoop over and fasten the three or four buckles on each foot, but let the tops gape and flap wide open as they walked.

Remaking the industry

LOOKING back today, when a single rubber factory sells three million pairs of modernized galoshes a year, it is hard to believe that one move on the part of the girls brought a rebirth to the rubber-footwear business. But now it may be said that, until 1922 or 1923, the rubber-

footwear business wasn't what it used to be.

Pedestrians had died out, except in the pages of the comic magazines. No one walked. Automobiles made rubbers as unnecessary and as unpopular as bitter pills, or sulphur and molasses, or red flannel underwear.

So over in Akron, where the odors of rubber in all its processes mingle with the scents of the flowers and the aromas of the housewife's oven, the brains of the rubber-footwear business were already puzzling over what to do next.

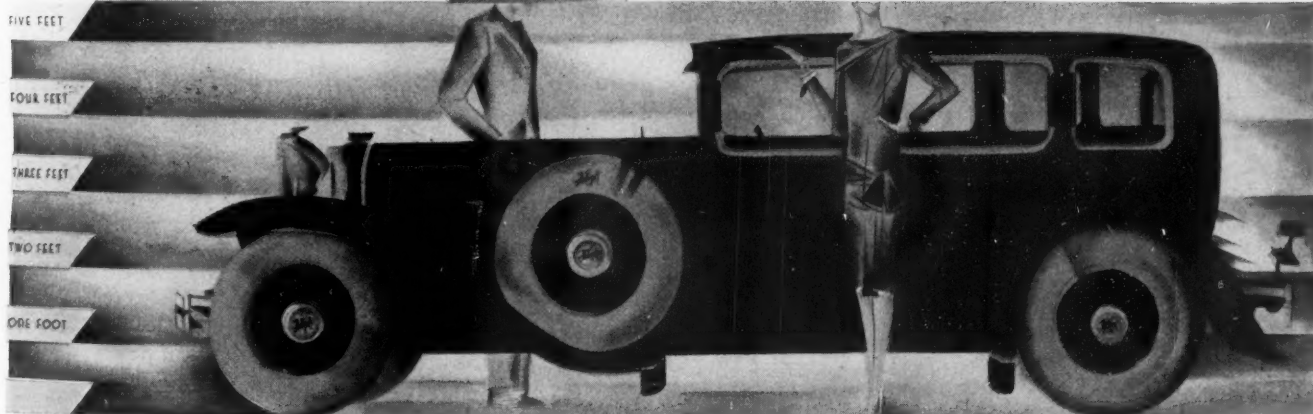
"Let's try injecting a little style into rubber footwear," said one big official.

"All right, here's a model of a Russian boot, which we can make to sell at a popular price," said the factory superintendent.

So the Pavlowa boot came into being. Made of black, with a topping of gray astrakhan, it looked pretty on the billboards. It was a fad, and the makers knew it wouldn't last. And so, as is the way of modern businesses, they built

Now at your service .. America's first Front- Wheel-Drive motor car

For several months now, there has been talk of a motor car notably new and utterly different, a car in which would be incorporated, for the first time in the history of American automotive design, the principle of the front-wheel drive, and so possess the many cardinal advantages inherent in an automobile of its kind . . . Today, this car rides the boulevards, the target of admiring eyes. It is so low that you can look over it, but none can overlook its suave grace of line, its distinctive colorings by Joseph Urban . . . It is fleet yet surefooted, restful and quiet and commanding. It carries on its radiator, as a hallmark of its excellence, the griffin of ancient heraldry, and bears, proudly, the name of Ruxton.



RUXTON

COLORINGS CREATED BY JOSEPH URBAN • EXCLUSIVE FABRICS BY SCHUMACHER
the product of New Era Motors, inc. • 17 east 45th street, New York City

THESE QUALITIES, SO COMMONLY PROMISED, ARE ACTUALLY ACHIEVED IN THE RUXTON

1. A CAR SMARTLY LOW, because a 10-inch saving in height has been effected through the elimination of the conventional rear axle and the restrictions it automatically imposes.
2. A BODY SURPRISINGLY QUIET, because there is neither chattering differential nor vibrating driveshaft to transmit noises through the body.
3. SAFETY AT HIGH SPEEDS, because the rear wheels are never trying to catch up with the front ones, and the center of gravity is unusually low.
4. RESTFUL RIDING COMFORT, because the rear axle carries but the minimum of unsprung weight, and the rear springs have only one function to perform—the perfect cradling of the body.
5. LITTLER SMOOTHNESS IN TRAVEL, because the power pulls evenly from the front instead of pushing, with spasmodic jerks, from behind.
6. UNFAILING TRACTION, because pulling power is applied directly to the working wheels.
7. MAXIMUM POWER, with the minimum of loss in transmission, because this power only travels 6 inches from the 100-horsepower engine to the front axle.
8. PERCUSIVE PICKUP, because power that has such a short distance to travel is almost instantly applied, and at the lightest touch of the accelerator.
9. GASOLINE AND TIRE ECONOMY, because of perfect car balance, simplified design, the minimum of power loss, and the absence of skidding.

ELGIN . AMERICAN . EFFICIENCY
WATCHES . . . NAMED IN HONOR OF MEN WHO
HAVE MADE AMERICAN EFFICIENCY WORLD-FAMOUS



NAMED IN HONOR OF HARVEY S. FIRESTONE
17 JEWEL MOVEMENT ADJUSTED . . . \$41

ELGIN



HARVEY S. FIRESTONE, PRESIDENT, FIRESTONE TIRE & RUBBER CO.

After such brilliant achievement many men might have settled back to a leisurely life, but today Harvey S. Firestone is still one of the busiest men in the world. Typifying the energy, and efficiency and appreciation of the value of time, which have crowded incredible achievement into the hours of the American business man. So one of the models in ELGIN'S new American Efficiency Series has been named in his honor. Americans know time . . . and know that time is money. So for American needs, this American watch. For the needs of the busy, time-pressed man who must know the exact time to the very minute whenever he glances at his watch. The American Efficiency Series is ELGIN'S reply to the man who says his time is money. And are they handsome watches? Slender? Owning that elegance that a fine piece of jewelry should have? Just see them at your nearest ELGIN jewelers! [© Elgin, 1929 . . . Elgin watches are American made . . . All prices are slightly higher in Canada.]



If the wearer of an early waterproof sat down he stuck

just enough to meet the demand during a single season. A quarter of a million pairs were allotted throughout the country—so many pairs to this city, so many for that salesman's territory, so many for each district. At the end of the winter they were all gone.

"Now what'll we do next?" asked the men in the rubber-footwear department of the B. F. Goodrich Company.

"How about a galosh made up with that hookless fastener? We've turned it down a couple of times as being too high-priced, but if we could sell a million a year, we could change that."

A million a year! How big and boastful it sounded.

"Well, let's make up some samples and let our Cleveland salesman show them to his trade. We'll find out soon enough if the retailers think they will sell."

So it was done. Back came the verdicts.

Gained quick approval

"JUST WHAT we've been waiting for," said one retailer. "Get busy and make them."

"How soon can we get our share?" another asked.

And so on.

Then things began to happen.

With speed and secrecy, the Goodrich plant began to change over from a buckled galosh to a new type of footwear made with this fastener which slides up and down and unlocks as mysteriously as it locks. While for years this device had been used on tobacco pouches and had had some small success for stage costumes of "quick change" artists and for aviators' uniforms, it was still a friendless child until 1923. In

fact, the first order for 50,000 fasteners which Goodrich placed resulted in a long-distance phone call from the fastener firm to find out if Goodrich really wanted that many.

In January, 1923, the first public showing of galoshes with the hookless fastener occurred. It was at the annual retail shoe show in the Coliseum in Chicago. In the Goodrich booth ten men were kept busy from morning till night, sliding the trick fasteners up and down, demonstrating them to all comers. Public interest was intense. Here at last was something new! Here was a sales argument that made the selling of rubber footwear interesting,

made new sales possible!

Things were moving fast then at the Goodrich factory. Everybody was optimistic, and with reason.

Then came one of those accidental surprises which please no one at the time but which seem providential in retrospect.

It occurred on a Pullman, bound for New York. B. G. Work, president of the B. F. Goodrich Rubber Company and for 25 years its directing head, was being shown the final proofs of an advertising campaign for this new footwear.

"We've decided to call it the 'Mystic,'" said the rubber-footwear official, standing by while Mr. Work toyed with the device.

"Oh no, you haven't," replied Mr.

Work. "There's only one name for it, but it isn't 'Mystic.' See the way it zips up and zips down? We'll call it the 'Zipper.'"

Like most inspirations of the moment, this idea seemed somehow to lack authority. No one in the factory liked the name. It seemed inadequate, or trivial, or flippant. But fortunately there could be no further argument, and the name Zipper went out to the trade.

Surprisingly enough, the trade liked it. Here was something that appealed to the imagination. Here was a new talking point. Even a fat woman who couldn't stoop could manage somehow to get this new fastener hooked around her ankles. Husbands who had been called into emergency action to help their wives get clad for rainy weather could now take a deserved vacation.

So by wire and telephone, by train and by air mail, orders came rushing in to Akron.

The inevitable troubles

THE SUCCESS was embarrassing. No one was prepared for it. You can't train new workmen to make rubber footwear quickly, and even if trained men had been available the materials were lacking. But the factory did the best it could. This was in 1923.

And then before long came the inevitable trouble. Every invention is crude; what hurts is that some of the experimenting must be done by customers. And customers are an impatient, exacting lot.

Some of the Zippers, it developed



When Columbus discovered America he found some of the West Indians dancing around in rubber boots

The International Air



...will always be good in the DETROIT-CANADA TUNNEL

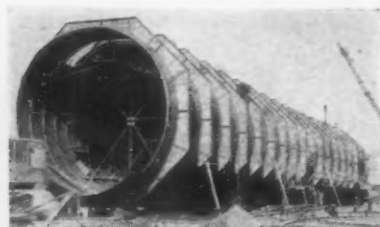
SILENTVANES were chosen!

—It was because of a reputation for low operating cost that Silentvanes have built up for themselves in the Holland Tunnels and the George A. Posey Tube in California...

—and because of Sturtevant's special experience in building fans for this kind of work...

...Silentvanes were chosen!

The new tunnel connects Detroit, Michigan and Windsor, Ontario. It consists of a single



River Tube construction by Porter Bros. & Robt. Porter for the Detroit-Canada Tunnel Co.

Plans and specifications by Parsons, Klapp, Brinckerhoff and Douglas, New York City.
Ole Singstad, Consulting Engineer on Ventilation.

tube 5100 feet long with a roadway 22 feet wide. There are two ventilating buildings—one in Canada and the other in the United States.

To keep the air pure at all times—even in emergencies—twenty-four Sturtevant Silentvane Fans were chosen—twelve Blowers and twelve Exhausters. Capacities range from 61,500 to 195,000 C.F.M. Under maximum operating requirements, the load will be about 900 H.P.

Architects and Engineers are invited to make use of the Sturtevant Research Laboratories where valuable co-operating facilities are available in the development of special ventilating apparatus.



B. F. STURTEVANT CO.
Hyde Park, BOSTON, MASS.

Plants at: Berkeley, Cal. Camden, N.J. Framingham, Mass. Galt, Ontario Hyde Park, Mass. Sturtevant, Wis.
Canadian Representative: Kipp Kelly, Ltd., Winnipeg. Offices in Principal Cities.



Sturtevant

REG. U.S. PAT. OFF.
HEATING-VENTILATING AND
POWER PLANT EQUIPMENT



When writing to B. F. STURTEVANT Co. please mention Nation's Business

wouldn't zip. Poorly fitted, perhaps, by an overzealous salesman who put a "size 4½" on a No. 5 shoe, and who tugged and strained at the fastener to make it glide over a none too graceful instep, the tired mechanism balked. A few humorous incidents occurred of folks being unable to get their rubber footwear off and being forced to cut them loose or wear them to bed.

No one could quite analyze the trouble. But the factory bravely ordered the defective footwear returned, and sent out new pairs in exchange.

"For a while you could have had this zipper idea as a gift," one of the Goodrich footwear officials said smilingly a few weeks ago. "We hated the sight and sound of the things. And just because trouble magnifies itself, it seemed as if everything went wrong. Even at the worst our percentage of returns was slight, but it seemed at the time that the whole world was full of trouble.

"But of course we found out how to improve the hookless fastener and to strengthen it where needed, and also we redesigned our old-style galoshes entirely. Where a galosh had been bulky and awkward and heavy, we made it slender and with just enough cloth to meet in the front, where the hookless fastener did the rest. Now, of course, we make and sell three million pairs of this sort of footwear a year, besides all our other rubber footwear."

The eternal feminine again

IT sounds too easy. But again the demands of the feminine trade gave the factory something to think about, and frequently something to worry about.

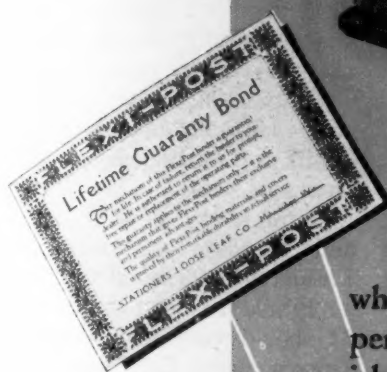
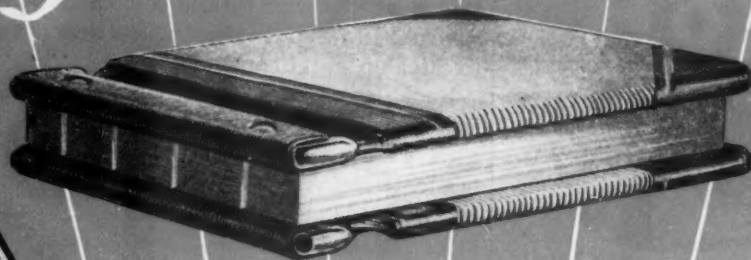
For women started turning the tops of their new galoshes down, to arrive at something novel and different.

When light-colored stockings came into popularity, a new trouble developed. It seemed that enough soot would settle on the top of a galosh's lining to leave a black ring around a beautiful flesh-colored hose. Then the fair lady would protest to her shoe dealer that the galoshes had stained her stocking, that the linings had "faded," and that she wanted a new pair of galoshes and also, forsooth, a new pair of stockings. Frequently she got them, too.

So Goodrich started in 1924 and 1925 to change the color of the linings, since something in color would eliminate the danger of miscoloring delicate stockings.

Then in the fall of 1926 a rainbow of galoshes in colors streaked across the sky of the shoe world. Coincidentally came new kinds and patterns—a model

LIFE-TIME SERVICE *guaranteed*



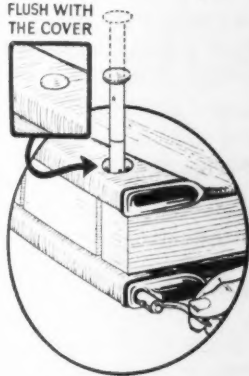
FLEXI-POST mechanism is guaranteed to serve you faultlessly for life. A bond protects you against its failure from any cause whatsoever. So every Flexi-Post advantage is a permanent advantage, and first cost almost vanishes when divided by the unlimited years of Flexi-Post utility.

There could be no stronger proof of outstanding excellence of design and construction than this sweeping Guaranty now attached to every Flexi-Post Binder—a binder that affords easier operation and wider utility because of its unlimited capacity, non-protruding posts, two inches of working space, and direct screw compression.

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Address.....

Y our Gas Company's engineers are at your service . . .



Your gas company stands ready to show you the way to reduce your gas consumption through redesigning present equipment, or by recommending new and improved gas-fired units. Their engineers are in close touch with all the latest developments in gas-burning equipment; they are always at your service. The member companies of the American Gas Association have numerous instances on record where they have been able materially to reduce the consumption of gas for customers. Call your gas company's engineers and ask for a survey.

American Gas Association
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Write for a
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Sent free on
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If It's Done
with Heat,
You Can
Do It Better
with Gas

When writing please mention Nation's Business

which could be turned down made a bid for public favor and found immediate friends.

With new colors came a widened market. Customers who wished to be stylish, could buy, not one, but several pairs now, a different shade to go with every costume. New types of clasps, linings and decorations were added to the line.

Men too began to lose their aversion to wearing rubbers. Zippers for men made their appearance in the 50,000 shoe stores and department stores of the country. Other rubber companies developed their own ideas in footwear to catch up with the parade.

Radio advertising further popularized the new product. Imagine an orchestra named after an article of rubber footwear! And this is the business which less than ten years ago was slowly dying out, despite the fact that it was one of the oldest phases of the rubber industry. The making of rubber footwear is so old, in fact, that when Columbus discovered America, back in 1492, some of the West Indians were dancing around in waterproof boots of their own making and design.

The process of manufacture they used was simple but painful. The natives merely dipped their feet and legs into rubber sap and let sun, air and smoke harden the rubber as it dried. As many coats were added as necessary to give the desired thickness, and then the natives peeled off their boots.

Rich men in Europe got the habit of sending their favorite boots to South America to have them coated with rubber. Later, merchants of New England created wooden molds or lasts and sent them to the jungles to be coated with rubber. For years these rubber boots were crude and shapeless; they not only fitted badly, but no attempt was made to separate lefts and rights.

Those early waterproofs

IN the early 1800's some genius found rubber sap could be spread on cloth so as to make a waterproof garment. Such a garment was tricky and sticky, however. If the wearer approached too close to the fire his waterproofing would leave him. If he sat down his coat would stick to the chair. In cold weather a rubberized garment would become so stiff as to be unbendable.

But progress came when a Scotch chemist in 1823 put two sticky surfaces together to make a double cloth which would shed water and be more satisfactory to wear. Then Charles Goodyear, the American who devoted

his life to making rubber safe and permanent, learned how to add sulphur to the rubber and make it stable and lasting.

In 1835, when everybody was a pedestrian, a million and a half pairs of rubber footwear were made in this country. Pretty good for great-grandfather!

No phase of the rubber industry was so exacting and required so much skill. Only an old man could be considered an expert workman. Each rubber or galosh or boot was a handmade affair, with considerable variation in quality. Great difficulty was experienced in making a change or increasing production.

A complicated business

THE passing years simplified matters somewhat, but complications still remain. It takes, you see, 42 separate pieces to make a modern galosh. There are 140 distinct operations. Each size has its own requirements, and there are dozens of sizes.

"How many different sizes, shapes and patterns of footwear do you make?" I asked a Goodrich official.

"Frankly, I don't know," he replied. "I should guess about 7,000 kinds of Zippers alone. Each size has its own pieces, of course, requiring certain cuttings of frictioned stock and certain sizes of heels and soles and molds, so that the making of rubber footwear is amazingly expensive and complicated."

I could see it was. Later, in a book called "The Reign of Rubber," I found the total sizes and styles of rubber footwear made in this country listed at 77,685. They were divided as follows:

Rubber boots	7,953
Miner's rubber boots	850
Dull shoes	4,616
Lumberman's boots	6,027
Arctics	7,953
Gaiters	8,358
Light goods	41,930

Much of this astounding complexity has been brought on by competitive attempt to give the public something new. You can get rubber boots that are pure white, ruddy pink, or black.

"We keep nine men busy here all the time, experimenting with new ideas and new patterns and colors," said a Goodrich official. "When we add a new style to our line it means developing that pattern in all its varying sizes. It means figuring the costs of each material, of creating new lasts, perhaps."

Naturally, the response of the public has reacted on those fortunate enough to create what the public wanted. Eighteen to twenty thousand pairs of Zippers can be turned out a day at the

Beautiful Effects in~



ALL METAL PARTITIONS

OFFICE BEAUTY, as well as office privacy—that's what you obtain in Sanymetal Partitions. The clean-cut, dignified design of Sanymetal lends itself admirably to the finest office interior. The rich, lasting color tones and wood effects (in permanent enamel over steel) blend perfectly with any furnishings and decorations.

And Sanymetal is eminently practical. It forms a solid, substantial installation, assuring privacy and sound resistance. It accommodates your wiring system and is adaptable to any desired arrangement. Its unit assembly makes it readily movable for changing needs.

Altogether, you will go far before you find a better solution to that growing business problem—office privacy.

Sanymetal also makes steel toilet and dressing room partitions and cubicles for office and industrial buildings, schools, hospitals, etc. Let us suggest a style and price for your particular building. Just communicate with Partition Headquarters:

THE SANYMETAL PRODUCTS CO.
1720 Urbana Road, Cleveland, Ohio
Partition Builders since 1915

New York Office: 536 E. 133rd Street
Representatives in principal cities

Sanymetal

STEEL PARTITIONS

When writing to THE SANYMETAL PRODUCTS CO. please mention Nation's Business

Goodrich plant. In Akron an enormous new building was erected three years ago merely to warehouse the footwear.

Over in Meadville, Pa., where once the Hookless Fastener Company did business on a back street, the company now has a proud new factory building from which emanate a flood of fasteners.

A novel invention, that fastener. Created in Switzerland and brought to this country by a man who developed machinery to make it economically, the hookless fastener consists of two strips of flexible links which, when inserted into each other at angle take hold and form a tight, gripping unit. German silver makes the fastener rustproof. It is an ingenious variation to a world which had grown tired of buttons and laces and hooks and eyes. Adapted to use on rubber footwear it has done more to persuade dainty girls and sensitive people to protect their feet than thousands of mothers and wives and doctors have ever done.

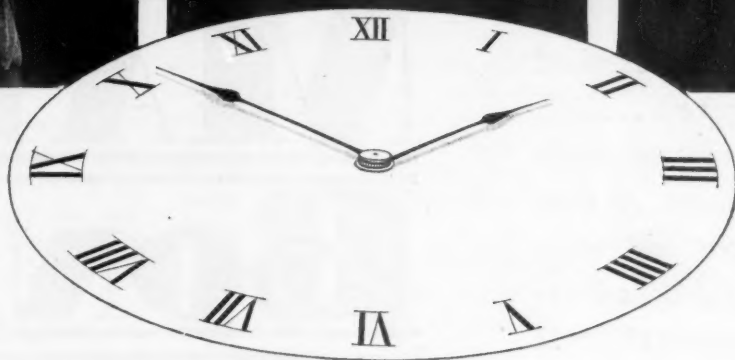
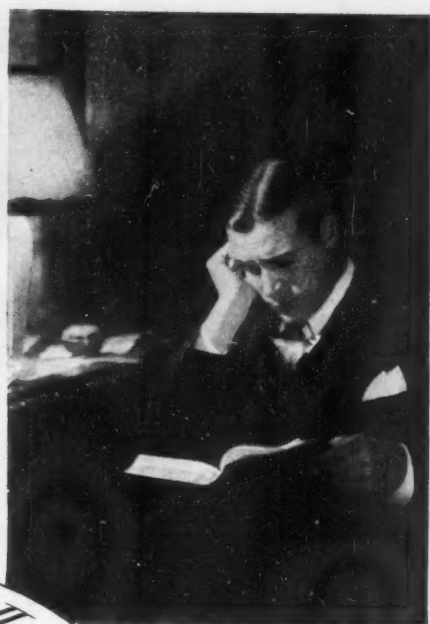
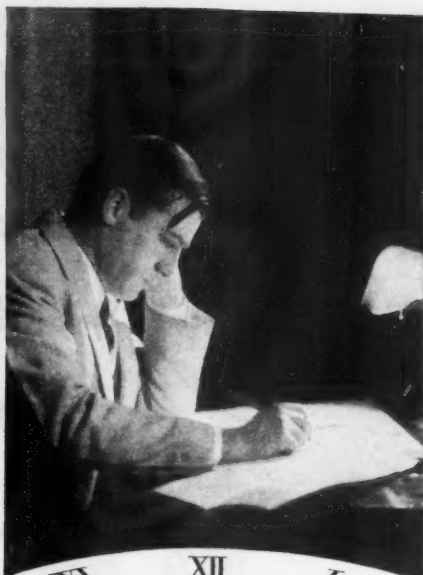
So business genius has brought about the fact that today, when no one walks farther than he has to, more rubber footwear is being sold than ever before.

Style is the reason for these added sales. Give the world something novel and pretty, and the world (even though it is tired of beating paths to the doors of mouse-trap makers) can still show a demand that will force factories to work day and night and companies to expand warehouses and devise new machinery.

Popularizing Sterling

THROUGH an arrangement for financing sales, sterling silver is now in a fair way to achieve a circulation in more American homes. By provisions of a contract made between members of the Silversmiths Guild of America and the Commercial Credit Companies, silverware will be sold on a deferred-payment basis through 28,000 dealers. The 12 manufacturers included in the Guild are reputed to produce 80 per cent of the nation's output of sterling ware.

It is quite possible that the dealers will face a trade-in problem in seeking an acceleration of sales. But in the case of silver, the familiar item of "depreciation in use" would seem to be at the minimum. Sterling being what it is and heirlooms being what they are, the appreciation of silver from one generation to another accords with the strict economic sense of the word as often as it does with the popular meaning.



Rob yourself of sleep . . .

but you can't rob the Gillette Blade of its sure, smooth shave

A FACE drawn and tight from lack of sleep, a slapdash lather and a hurry-up shave—it can't ruin the even temper of a Gillette Blade, even though it may wreck your own!

On such mornings lather extra thoroughly and treat yourself to a fresh Gillette Blade. You're sure then of the smooth, even, comfortable shave which has been honed and stropped into every Gillette Blade by machines adjusted to one ten-thousandth of an inch.

Every Gillette Blade *must* be even and sure. To guarantee that,

four out of every nine of our blade department employees are inspectors and are paid a bonus for detecting every blade that won't do a superb job of shaving.

King C. Gillette



THE only individual in history, ancient or modern, whose picture and signature are found in every city and town, in every country in the world, is King C. Gillette. This picture and signature are universal sign-language for a perfect shave

No two men have identically the same kind of beard. No man gives his Gillette the same kind of job to do every morning. A dozen varying conditions affect the comfort of your shave. The Gillette Blade alone remains constant.

Eight out of ten American men count on the Gillette Blade to do its job *well* every morning. It does. Witness the smooth faces of American men today. Gillette Safety Razor Co., Boston, U. S. A.

Gillette



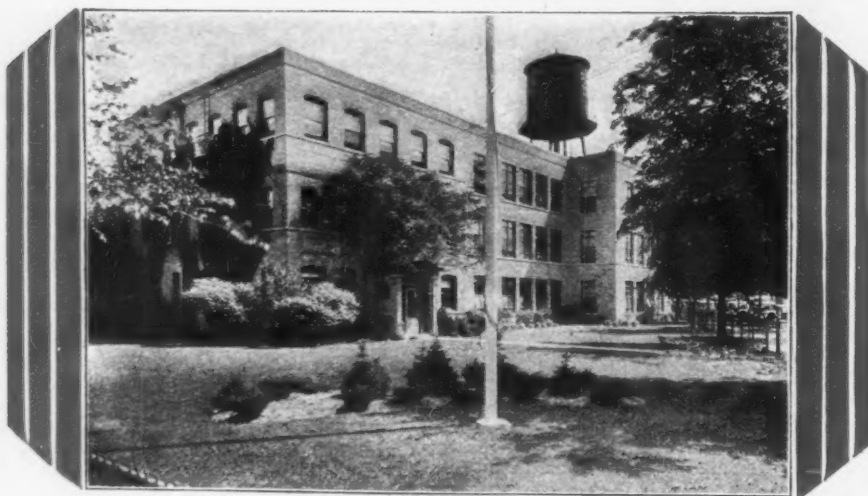
\$500,000

Saved Yearly by

Kearney and Trecker Corp., Milwaukee, reports these huge savings.

GEORGE S. MAY standardized our production system . . . 35% reduction in man-hours was made without changing equipment. As a result 700 men earn 20% more and yet we save 40% in final cost. May's Foreman's Bonus pays 12 foremen 15% over their base rates—our increased production is running 100% over last year . . . Since a \$500,000 increase in payroll and overhead enables us to produce \$2,000,000 more output we credit Geo. S. May with saving us \$500,000 a year.

MAY'S BONUS METHOD



The Milwaukee Plant of Kearney & Trecker, one of the world's largest manufacturers of Milling Machines

The quotations used in this advertisement are from a Gould Report of the Kearney and Trecker Corp., Milwaukee, and are guaranteed authentic. More detailed reports and data on other May installations may be had on request.



George S. May
COST REDUCTION ENGINEERS
2600 North Shore Ave., Chicago 712 Chanin Bldg., New York City

THE PATTERN OF COMMERCE



AS SEEN BY
Raymond Willoughby



SECRETARY Lamont has announced that two new divisions have been created in the commercial standardization groups of the Bureau of Standards. These new divisions are concerned with trade standards and specifications. They have been established, the Secretary says, to meet the steadily growing demands of American industry for government cooperation in promoting the standardization and simplification of commodities.

It is commonly observed that as business grows, so grows the Government. Not so clear is the part of business in motivating the expansion of government activities.

THE LITTLE white towel peeping from the rack is a greater urge toward cleanliness than any number of health lectures, in the judgment of Roscoe C. Edlund, general director of the Cleanliness Institute, New York. To quote Mr. Edlund:

"White is an invitation to cleanliness, and great employers of labor, public school administrators, restaurant and hotel owners, who have discovered that cleanliness pays dividends in greater productivity and in better morale, find that cleanliness standards rise with cleanliness facilities."

After all, those gaudy old tales about striking pay dirt must have got their rich local color from the washbasins of the mining camps.

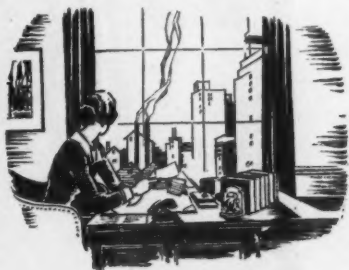
NATURALLY enough, the National Chain-Store Association is opposed to bills which would levy special taxes on chain stores. The Association is at pains to show that these bills are not supported by organizations of independent merchants. In support of that contention the Association offers a resolution passed by the Ohio Hardware Association, "a body of 1,500 independent mer-

chants," which reads in part as follows:

... We wish to record our opposition to the proposed legislation which intends, through license taxes to handicap the operation of chain stores. We feel that such a tax would be merely passed on to the consumer and thus unnecessarily increase the cost of commodities. The hardware men of Ohio feel fully capable of meeting the competition of chain stores without the assistance of such legislation.

Perhaps there is as much of public interest in the contention that the proposed taxes would constitute a direct penalty for business efficiency.

ACCORDING to Lawrence Stern & Company, investment bankers of New York and Chicago, 41 per cent of the individual wealth of the United States is controlled by women. This firm also reported that women are beneficiaries of 80 per cent of the \$95,000,000,000 of life insurance policies now in force; that they pay taxes on more than \$3,250,000,000 of individual income annually; that they constitute from 35 to 40 per



cent of the investment bond house customers; that they are receiving 70 per cent of the estates left by men, and that they also are receiving 64 per cent of the estates left by women.

The figures are big enough to invite general consideration apart from their usefulness in marking the tremendous economic progress of women in this country. Industry and finance are more and more looking to women for needed capital, as the increase of women shareholders convincingly shows.

When rated by the advertiser of consumers' goods, the consideration of women's means directs a somewhat different conclusion. For it is the income and not the principal that counts immediately in the market. The amount available from investments for current expenditure can be no more effective in measuring sales outlets than a salary of equal amount. There can be no sex discrimination in the fact that interest and dividends will buy no more under those names than incomes through wages or salary.

THE FACT that great corporations are more and more deserving of regard as public benefactors is freshly illuminated with the decisions made by 41 railroads in behalf of the blind. These companies have agreed to carry blind persons and their guides for a single fare over any of their lines which are included in the area marked out by New York, Baltimore, Chicago, and St. Louis.

Senator Thomas D. Schall, of Minnesota, blind himself, originated the idea and successfully supported an amendment permitting the railroads to carry free a blind man's attendant without violation of the antipass clause of the interstate commerce act. The American Foundation for the Blind has been working for four years to achieve a general recognition of the arrangement.

With so many railroads providing the inviting example, it is only reasonable to expect that others will take similar action. The bigness of "big business" in relieving distress has become a commonplace in our national life. Perhaps there is as little novelty in saying that a soul is the first essential to the practice of the humanities.

EIGHTY lumber manufacturers located in sixteen states and the Province of Ontario have agreed to "tree mark" and "grade mark" the output of their



What *thirty years* have taught me

"My boy, from now on you are going to run this business. It is yours to handle and to take the credit or criticism whichever is deserved. Remember one thing that thirty years have taught me—it is a cardinal principle. Keep the records of this business, the contracts, schedules, inventory statements, and other important papers in Fire Resistive Safes."

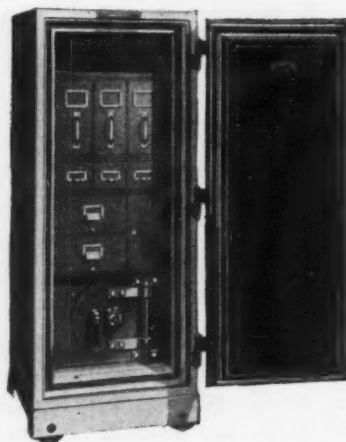
Sounder advice was never given by a retiring executive to his successor. If followed—fire, negligence and dishonesty will have no chance to destroy the heart of his business—its vital records.

Diebold Fire Resistive Safes are the most practical for any business, and every business should use them. They are made in various sizes and styles to meet all needs and carry the label of the Underwriters' Laboratories.

Take the advice of experience and send for our book, "Protection of Modern Business Records."

DIEBOLD SAFE & LOCK CO.
Canton, Ohio

Represented in Leading Cities in U. S. A. and Canada



Let us measure your
degree of fire risk
and recommend the
proper safe.

DIEBOLD SAFE

ASK YOUR BANKER

When writing to DIEBOLD SAFE & LOCK COMPANY please mention Nation's Business

mills. This agreement is the outgrowth of efforts of the organized lumber industry in cooperation with the Department of Commerce to simplify, standardize and authenticate trade practices.

The "tree mark" signifies that the lumber on which it appears is guaranteed by the National Lumber Manufacturers Association to be "American standard lumber" and correctly graded.

Commonplace as the associational practice of business now is, the agreement presents something of a novelty in industrial cooperation. Certainly the acceptance of this new responsibility by so large and influential a trade group projects the idea of a larger public service through the work of commercial organizations.

RESEARCH in behalf of better farm production pays a return of 50,000 per cent by the reckoning of Dr. A. F. Woods, director of scientific work of the Department of Agriculture. In a radio address broadcast from Washington, he said, "Statistical studies show that for each dollar invested there is an annual return of \$500, or 50,000 per cent on the investment."

The states and the Federal Government, we heard, spend about \$25,000,000 a year to protect and develop the agricultural industries valued at \$60,000,000,000, with a gross income of about \$10,000,000,000. In contrast, Dr. Woods said, "other industries of the country invest about \$180,000,000 a year for research, considerably more in proportion than is invested by agriculture."

It all seems exact and statistician-like. Billions on billions. Everywhere life seems filled with oughts and noughts. We are frequently reminded of Mr. Montague Tigg's "Anglo-Bengalee Disinterested Loan and Life Insurance Company" with a "paid-up capital of a figure 2 and as many oughts after it as the printer can get on the line."

A GOOD deal is heard about the manipulation of stocks, but little gets out about the rigging of the tickers to make split-second savings in giving the news of the market. For example, "AAC," the new symbol of Auburn Automobiles on the tape, take less of a turn of the letter wheel than the old symbol "ABU." That means a saving of about one-tenth of a second in transmitting the quotation. These fractional gains of time help to keep the ticker up to the market. Some of the symbols are so compressed that they reveal the full

name of the stocks with the bare minimum of literal representation.

To illustrate: "V" stands for the New Haven railroad; "C" for Anaconda Copper; "N" for International Nickel; "M" for Montgomery Ward; "BI" for National Biscuit; "TXY" for Chicago Yellow Cab; "Z" for Woolworth; "K" for Chrysler; and "FN" for St. Louis, San Francisco Railway.

From all that alphabetic animation a philosopher could find premise enough for concluding that mighty stocks from little symbols grow, though even a seasoned operator must be perplexed at times to know both the spirit and the letter of the quotations.

SO MANY great minds are intent on filling business men with a holy horror of all things obsolescent that even the old-fashioned virtues may soon come to look like liabilities. Yet it is occasionally apparent that the old is not everywhere ousted by this flaming evangelism for the new. In Chicago personal property tax blanks still display space for the listing of melodeons.

FAMILIAR as the roadside refreshment stands have become to every motorist, their apparent number and variety do not reveal the business stature to which this wayside merchandising has now attained. Even in this heyday of associational movement there is still some spice of novelty in learning that the National Standowners' Association is at grips with the many problems peculiar to speeding the parting guest on the highways.

The Association's records show that 110,000 roadside stand and tourist camps are now in business, and that last year they took in more than \$250,000,000 exclusive of gasoline and oil sales. The volume of sales in 1929 is expected to total half a billion dollars.

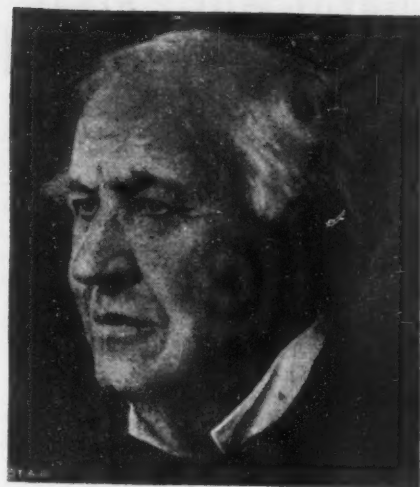
Some economic displacements and shiftings of revenue are likely to occur, for the Association finds that the roadside stands are taking over the business of country stores. In fact, some of the stands are complete commissaries with stocks of groceries, bakery goods and other kinds of merchandise for sale to people living in the immediate vicinity, as well as to tourists.

As defined by the Association, "the new type of standowner is a combination of restaurant man, confectioner, tobacconist, grocer, hotelkeeper, garage man, soda dispenser, and dealer in campers' supplies, drug sundries, novelties, and automobile accessories."

When Thomas Edison groped in the dark

IN 1859 Edison was a newsboy on the trains in and out of Detroit. He spent every hour he could spare in the public library "grappling bravely with a certain section, and trying to read it through consecutively, shelf by shelf, regardless of subject."

Admirable determination! Edison was destined to be well read, just as he was destined to become the greatest inventor



of all time. But his early desire for fine reading was a blind groping in the dark. The books in a modern public library would take fifty lifetimes to read!

Now everyone can be well read

Just as America's greatest inventor brought light into the world through the great medium, electricity—America's greatest educator brought light to everyone through the medium of good reading. Dr. Charles W. Eliot, from his lifetime of study, selected the

pure gold from the world's literature. Into a single set he assembled the essentials of a liberal education, the books that everyone must know to be well read. In the Five-Foot shelf are the carefully selected writings of 302 immortal authors.

DR. ELIOT'S FIVE-FOOT SHELF OF BOOKS

(The Harvard Classics)

Carlyle once said, "If time is precious, no book that will not improve by repeated readings deserves to be read at all." Time nowadays is more precious than ever before. We cannot, like the young Edison, attack the countless shelves of public libraries. Probably none of us possesses the persistency and patience which guided his early reading. We must have only the really great literature, the books that make us think straight, talk clearly and increase both our power to succeed and our enjoyment of life.

The Harvard Classics answer these requirements to the last detail. Already they are read and cherished in thousands of cultured homes. "Reading," as Edison himself says, "will never take the place of doing, but it enables us to travel twice as far with half the effort."

By the famous Collier plan these wonderful books are brought within easy reach of everyone. Do not put off finding out more about this invaluable set.

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Great White Fleet liners leave New York twice weekly and New Orleans three times weekly. Cruises from 9 to 24 days. Only first class passengers carried. All shore motor trips, hotel and railway accommodations included in price of your ticket. Write for complete information to

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CARIBBEAN
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GREAT WHITE FLEET



When writing please mention Nation's Business

Be Your Own Traffic Cop

(Continued from page 38)

today were envisioned. Says the prophecy:

"The chariots shall rage in the streets; they shall jostle one another in the broad ways; they shall seem like torches; they shall run like the lightning."

In ancient Rome, Caesar issued an edict forbidding vehicles to enter certain streets during business hours. Similar regulations were in effect in other large cities in the Roman Empire. There undoubtedly was originated our most annoying of all traffic rules, "No Parking."

Broadway always crowded

IN 1867, in New York City, according to the *Iconograph* of Manhattan Island, a bridge was built over Broadway at Fulton Street. It was built, according to the *Iconograph*, "particularly because Broadway was so crowded with vehicles it was impossible at certain times to cross the road without imminent danger to life and limb."

Recently moving-picture news reels of China and India and other countries where the automobile is still an oddity show traffic conditions equally as bad as those in American cities.

So it is an error to blame congestion entirely on the automobile. We must remember that the term traffic applies to pedestrians as well as vehicles. It means, in its broad sense, the exchange of goods, the business of transportation.

Thus, an interruption of traffic is an interruption of business and must cause a loss. A recent regional survey of New York and its environs estimates this loss at \$500,000 a day on Manhattan Island and a million dollars a day in the region which roughly embraces the metropolitan district. Since business losses affect every individual, every one must take an interest in traffic problems.

Furthermore, since traffic means "business" we will find the greatest traffic congestion in the places where the most business is done. Thus we find that traffic congestion is a peculiarly urban problem despite the confusion created by those who turn to higher mathematics to show us how badly off we really are.

These statisticians point out that we have 575,000 miles of paved roads and 23 million motor cars. Properly calculated this proves we have just 44 yards or—counting two-way traffic—88 yards in which to operate our cars. Going

further, they show that, at the present rate of car production and the corresponding rate of road construction, we will soon have to convert our cars into rocking chairs to get any sense of motion.

Obviously this is a fallacy. No provision is made for retirement, obsolescence or destruction. No mention is made of the two and one-half million miles of unsurfaced roads which are not only passable but comfortable for travel. It is entirely forgotten that 90 per cent of the roads outside the cities are filled to less than one-third of their capacity and that for only a fraction of any day.

So we may still cling to the proposition that traffic is a city problem and we may, while on the subject, realize that talk of saturation is premature and irresponsible. Saturation is nonexistent except at a dozen points in the whole United States. There it is not really saturation but lack of public cooperation and failure of municipal governments to anticipate future needs.

Therefore it appears logical to assume that our real and immediate problem is a solution of city traffic. To go further, we must deal with "main street" traffic because we are not only dealing with cities of more than a million population but intermediate cities and towns the entire length and breadth of the continent.

Realizing this, the impossibility of laying down regulations applicable to all cities becomes at once apparent. Chicago, for instance, is round as an apple. Manhattan Island is shaped like a banana. Rules that are sound for Chicago obviously will not fit conditions in New York.

Cooperation, not legislation

EVEN if they would, legislation is not a panacea for economic ills. The people need more "Do's" and fewer "Dont's." The job is to make the facts regarding traffic known and enlist public support by education instead of regulation. Existing laws and ordinances in the main are probably helpful. Some of them inflict individual hardship but result in benefit for the many, which, after all, is as much as the fallible human can hope for.

Cooperation, on the other hand, means little hardship for the cooperating individual and it will bring immediate relief to the many. It is quite plain we are not cooperating now. Unofficial surveys made from roof tops along main

"Mr. Editor, meet our friend, the ENEMY"



ALL SCRIPPS-HOWARD papers have editorial policies well established. They fight for their projects with all the strength at their command. But they never hesitate to print the other side.

They do not insist that anyone agree with them, not even their readers! Such well-defined and reasonable improvements as new bridges, museums or roads are often open to adverse criticism. And a member of the opposition may state his case so logically and clearly that a Scripps-Howard

editor will gladly throw open his columns to the new viewpoint.

The SCRIPPS-HOWARD Newspapers supported Mr. Hoover from the beginning. Yet many of them carried a daily column which was distinctly pro-Smith. The widely differing political views of Henry Mencken and Bruce Barton appeared simultaneously in a SCRIPPS-HOWARD Newspaper. The San Francisco News has been fighting for the freedom of Mooney and Billings for years, in the

face of fierce opposition from official quarters, stating and re-stating both sides of this famous case.

SCRIPPS-HOWARD Newspapers are staffed by men who receive even a hostile idea with hospitality . . . who know that no viewpoint can be wholly right or completely wrong . . . who consider the protest of the opposition in the light of Voltaire's remark, "I do not agree with anything you say, but I will fight to the death for your right to say it."



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CLEVELAND . . <i>Press</i>	WASHINGTON . . <i>News</i>	INDIANAPOLIS . <i>Times</i>	AKRON <i>Times-Press</i>	YOUNGSTOWN <i>Telegram</i>	EL PASO <i>Post</i>
BALTIMORE . . . <i>Post</i>	CINCINNATI <i>Post</i>	DENVER <i>Rocky Mt. News</i>	BIRMINGHAM . . . <i>Post</i>	FORT WORTH . . <i>Press</i>	SAN DIEGO <i>Sun</i>
PITTSBURGH . <i>Press</i>	COVINGTON <i>Kentucky Post</i>	TOLEDO <i>News-Bee</i>	MEMPHIS <i>Press-Scimitar</i>	OKLAHOMA CITY <i>News</i>	EVANSVILLE . . . <i>Press</i>
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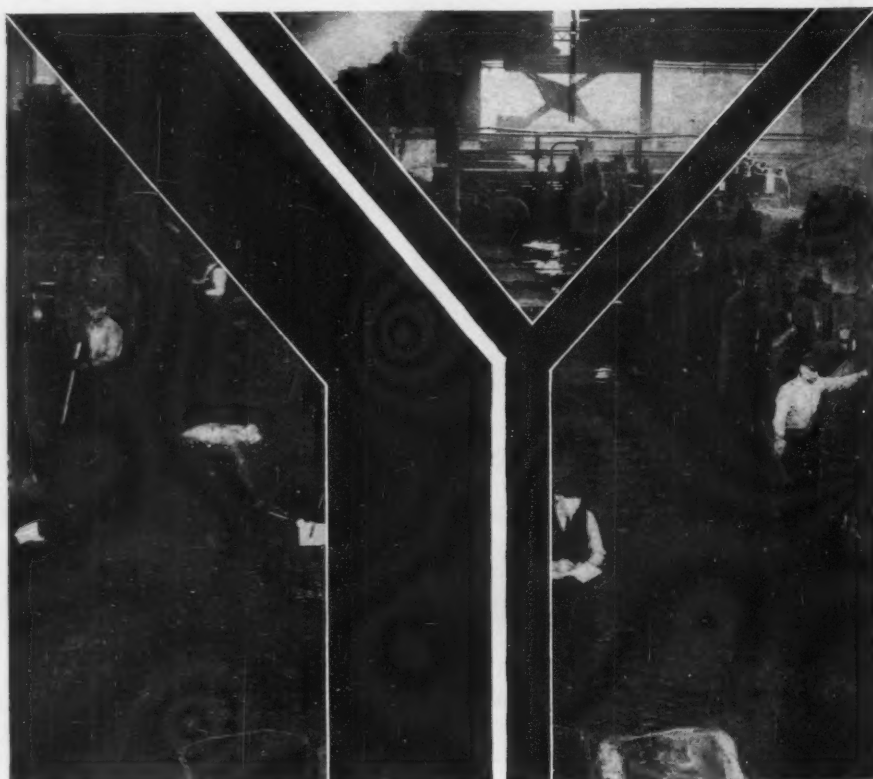
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CHICAGO—Conway Bldg.	Franklin Trust Bldg.
CINCINNATI—Union Trust Bldg.	PITTSBURGH—Oliver Bldg.
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traffic arteries in New York City show clearly that many motorists drive without regard to other occupants of the roadway.

Motion pictures taken at random prove beyond dispute that the average driver turning into a traffic stream at a slow pace slows up all cars in the stream until he gets up speed. If persons parking cars would cooperate to keep curbs clear for 75 feet at corners so the driver turning into the street might have room to pick up speed before pulling into the main traffic stream, some congestion would be avoided.

Last year the New York Port Authority issued a questionnaire to all business commuters entering New York by railroads, ferries and other forms of public transportation to determine each person's route from home to office. Nearly every one answered. This year New York police issued a similar inquiry to hundreds of thousands of motorists. Less than ten per cent responded.

This information doubtless would have provided information upon which future regulations might be based—but again the drivers were letting the other fellow do it.

Elevated streets to come?

EVENTUALLY, no doubt, cities will find some solution. They have gone practically the limit as far as widening streets is concerned. There remain only the possibilities of going up, down, or going around. Chicago went up and a \$20,000,000 expenditure on Wacker Drive has been amply justified.

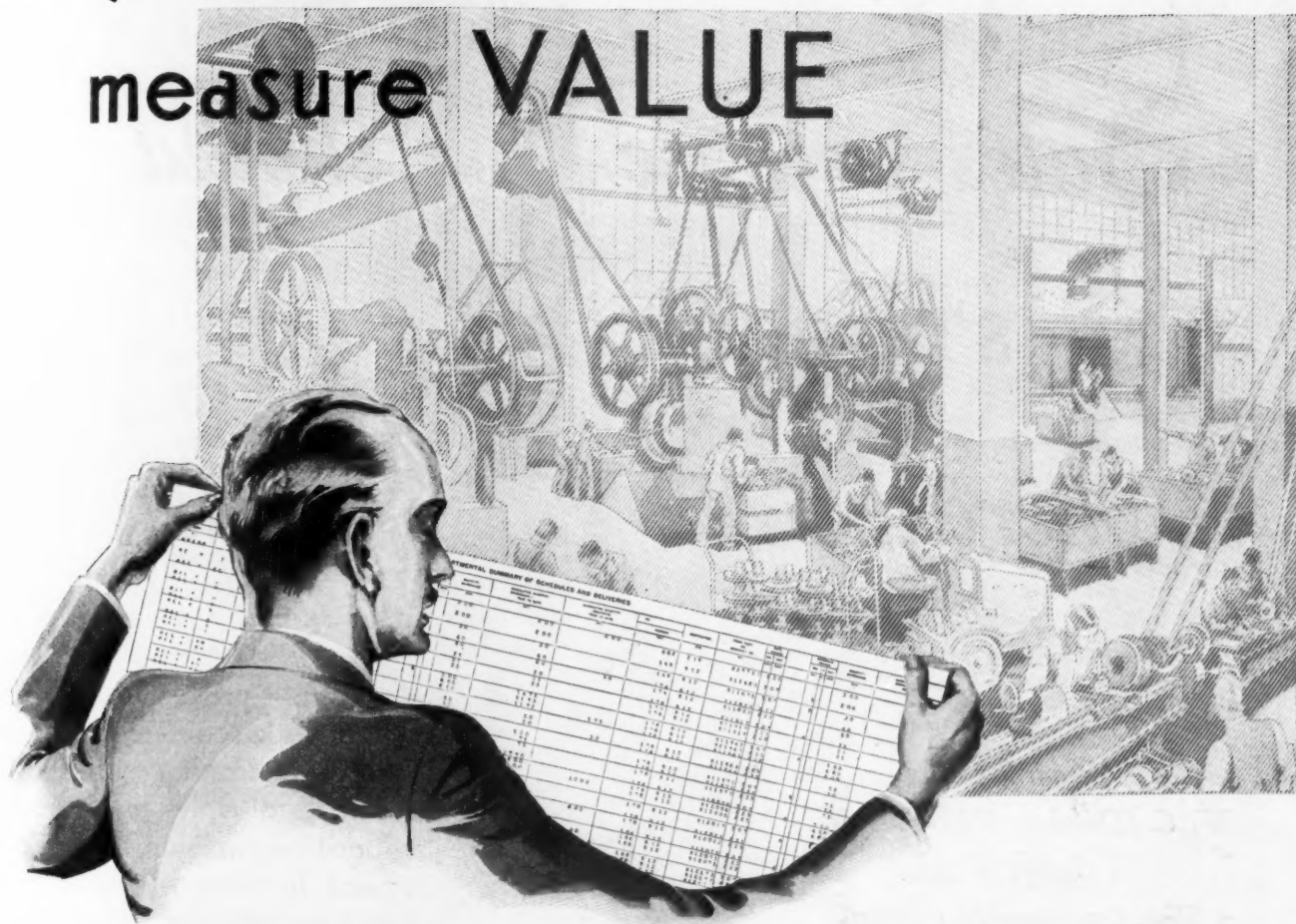
It is obvious that considerable gain could be made by dividing streets into various lanes of travel. No vehicle limited to 20 miles an hour or less should be permitted to retard trolley cars capable of greater speed. It is dangerous and wasteful to operate motor cars capable of high speed behind horse-drawn vehicles.

Individuals can cooperate in this distribution of traffic. It is always possible to go around traffic. An extra mile that saves time is not a loss and many persons, delayed at congested intersections will admit that an alternate route would have been better.

Those having no business on main streets can cooperate by staying off them in rush hours.

It is true that public expenditures will be necessary before the traffic problem is finally settled but in the meantime public cooperation and support can do much to make our streets and roads safer and more comfortable while we struggle for the ultimate solution.

only FIGURES can measure VALUE



NOWADAYS successful management requires a day-by-day knowledge of operative and administrative values. *And only with figures can you measure these values!*

Figures alone can eliminate the costly hazards of guesswork and give you at a glance the true status of your business. Assembled with machine accuracy, at machine speed, yesterday's figures come to you in time to direct tomorrow's course.

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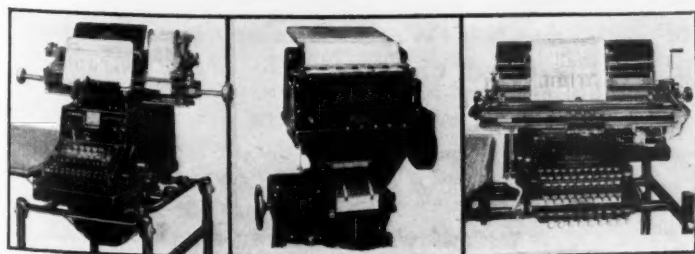
The Dalton "Multiplex Model"—handles ten columns of figures imperturbably. Electrically or hand operated. Other Dalton models for adding, subtracting, bookkeeping, ledger and statement posting.

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Powers Alphabetical Tabulator. Prints names and words as well as figures—from punched cards. Any accounting statement is more understandable—prepared faster—when Powers shoulders the load.

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BUSINESS SERVICE
BUFFALO, NEW YORK

FIGURES - The Yardsstick of Modern Business

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Sales expense should STOP where the red Begins

*An editorial by
W. C. Dunlap, Vice-President
in charge of sales
The American Multigraph
Sales Co.*

"WHAT price volume?" sales managers are asking these days. "What price volume when we have to go into the red-ink markets to get it?"

Sales effort and sales expense are justified when they bring back dollar for dollar PLUS A BONUS OF PROFIT BEYOND THE EXPENDITURE. And they are not justified if they don't. Markets that can't repay their cultivation cost are plunderers instead of producers. They should be tagged with a red "stop" signal in the sales promotion program. Successful selling today is selective selling.

Selective control of sales, of course, is no magic formula. It is no rule of thumb procedure which has but to be announced as a policy in



*Do
You Know
Your
Market?*

order to start profits climbing to new all-time peaks; but—it has chalked up some interesting victories to its credit. Its disciples may perhaps be pardoned an occasional burst of enthusiasm in view of certain results which have followed its adoption . . . such results, for instance, as enlarged net income, better earnings for salesmen, better collections, improved morale all around.

Selective selling as we have applied it has involved two important steps: (1) Careful market analysis to determine what groups of customers are best fitted to absorb our product with profit to themselves and to us; (2) The development of Multigraph equipment which has made it easy and economical to control our sales effort selectively.

I shall be glad to discuss with you our application of selective selling methods if you wish to examine this policy in greater detail.

Address W. C. Dunlap, 1806 East 40th St., Cleveland, Ohio.

There is a new

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for today's new selling conditions

What Business Germany Thinks

By JOHN T. LAMBERT

THE *Bremen* was coursing her way majestically eastward. Behind her lay the glorious record of her record-breaking voyage, the crossing of the Atlantic from the English coast to New York at a speed never before attained in the history of commercial maritime traffic. She had safely transported probably the largest complement of passengers and freight ever accommodated on a transoceanic trip. Ahead of her lay the common dangers of the sea and uncommon responsibilities. She had her new reputation for speed and safety to maintain. The eyes of the world were upon her.

Carl J. Stimming sat in the Bremen general headquarters of the \$165,000,000 corporation, the North German Lloyd, of which he is the general director, his fingers toying with the latest radio bulletin from the new mistress of the seas.

The *Bremen* was then two days out of New York. Stimming betrayed neither nervousness nor visible concern. But I felt his inward agitation. He would make a first-class poker player in the States. He passed the radiogram to me and observed:

"She is ahead of her schedule. Possibly there will be fogs in the Channel. Otherwise, she will make claim to the east-bound record."

I offered the conventional congratulations.

"We are happy," he replied, "but not boastfully so."

He was silent for an interval. His mind's eye seemed to peer back through the past decades. Then, with a sudden show of the mental and physical alertness which have combined to make him one of the outstanding figures of com-



COURTESY NORTH GERMAN LLOYD, N. Y.

CARL J. STIMMING

HEAD of the North German Lloyd, Herr Stimming is perhaps better qualified than any other to bring a message from Germany to American business

merce and finance, he declared in quick, aggressive tone:

"I will tell you. This ship has made 27 knots, more than 33 land miles, throughout the entire 24 hours of a day. She has maintained a speed hitherto unknown, and she can do even better than that. She has brought to people who travel conveniences which never before have been realized.

"But we could have done all this ten years ago. Our plans were made then. War came. Our plans had to be abandoned. For ten years the speed and comfort which are today contained in the *Bremen* were withheld from the

people. That is a single but graphic example of war's havoc."

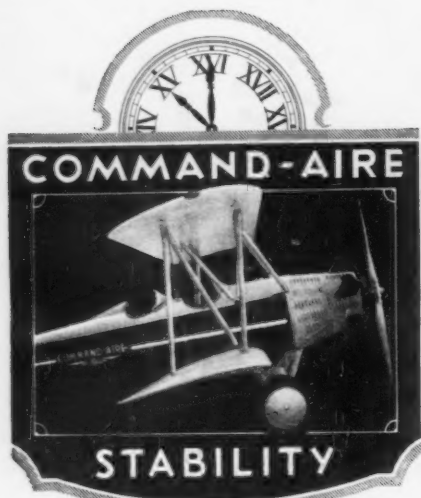
This massive corporation which Stimming directs has been dramatically associated for more than 70 years with the economic, commercial and political life of the world. Through that corporation he commands a fleet which measures close to 1,000,000 tons and which numbers nearly 16,000 operatives. Stimming was for some years associated with the national government in Berlin, where he was a director of its enormous finances. His peculiar ability is understood to have found a peculiarly fit outlet in the necessities of reviving the North German Lloyd from the blows it suffered as a result of the war.

The views of such a man could be considered in many respects the finest portrayal of Germany's business and political psychology.

"The *Bremen*," he said, in response to many questions, "can be considered as a symbol of the heart and loyalty of the German people. In her prior period of domestic suffering, Germany produced Goethe and Schiller, whose

art was expressive of the psychology of the people. Today, industrially productive Germany is the motif of German life. There are no loafers in Germany. There is no disposition to make either economic or political feuds. We are working in the hope that our industry will be recognized by the world and will command its approval. There is room enough for all of us. The destruction of Germany would leave a niche in the world difficult to fill.

"We are a world of many and different types. Each group has its own destiny and responsibility. We should not race through life graspingly. We are



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not to be last. Others will follow. Future generations should not judge us as merely ruthless and ambitious searchers for industrial and commercial supremacy.

"The German worker is working with his heart. He is keenly cognizant of his responsibility to his employers, to the government, and to society. He became crazy about certain questions after the war. His mind had been influenced by suffering and later was agitated by a certain class of leaders. He was prevailed upon to believe that a just share of the fruits of his toil was being denied him. Economically, politically and socially, he was more the serf than the freeman, according to certain noxious doctrines which were for the time widespread.

When patience was needed

"BUT THE German worker has an intellect and pride and sense of responsibility which stood him in good stead after the temporary period of hysteria. We had our big strike, for example. We encouraged our workers to believe that no economic system can give more than it can produce. Our production was lost by the strike.

General economic conditions, we felt, were disconcerting and unreliable. There was a considerable shortage of capital. Taxes were high. Payment to the Dawes Plan, social insurance and the numerous pensions were exacting a heavy toll from the resources of the business man. If the worker would be patient, his position would gradually become more secure.

"The workers saw all this, it can be said to their everlasting credit, and they returned to work. In Germany, as elsewhere, they are moved by a determination to 'make good,' as you say, to discharge their responsibility. They comprehend that there must always be compromises; that bad experiences must be taken into account with the good.

"The spirit of the German worker has never been malicious. Sabotage is against his nature. You will see that our old monuments remain in the street. Our local government was captured by the Bolsheviks, but they did not impair the statues in the conference rooms. They turned the marble statue of the Emperor to the wall, but the succeeding government turned it around again.

"Our young men became radical. Later they married, acquired families and stakes in life, and they became Moderate Socialists. They became followers of Stresemann. This testimonial to the loyalty of the German workingmen would be deeply appreciated by the people of America could they have

seen the seizure of the Ruhr. If our workingmen had not been temperately minded, we would have had Bolshevism of the extremist character.

"Yes, the German business man is working, too. He who doesn't work cannot live in Germany. Unfortunately there are too many fine brains in Germany that cannot find compensatory employment and must accept the dole or pension. There is not room in industry and the professions for all the energetic workers, and they cannot go away. You have set up restrictive immigration against them. Switzerland will not give a German work. England has a reserve of unemployment, and conditions elsewhere operate against many of our people.

"The world is living in many respects in the past century. It seems to have learned little from its experiences. The spirit of free trade and friendly competition seems to have been largely obliterated.

"Every little state wants to be a captain of every industry, to be sufficient unto itself alone, to have its own fleet for trade and possibly for war.

"Some day, far distant perhaps, may come an economic system in which each people will exploit only that for which it is best fitted. The day may come when Europe will recognize that it has an economic interest as a whole and will measure its activities upon some common basis. I do not mean that cultural habits and national languages should be obliterated, but that a common economic interest should be found as a measure for the ambitions of each that would be of advantage to all."

Touching a tender spot

I OBSERVED that the United States had cancelled 51 per cent of all war debts and mentioned the subject of reparations. Here was possibly dangerous ground. Stimming responded:

"They should have learned that the German people cannot be subdued by brutality or force. The German is a kindly man at heart. Treat him well and he is your friend for life. Kindness and consideration ever have been the finest pursuits in any national life.

"Good-fellowship exists in America. Your American is fair. You own your ships. To that no one can object. In fact, we have a cooperative working agreement with the United States Lines which we trust will continue uninterrupted. You are willing to accept our service because you believe it is good. You seem glad to have us receive our share of trade. You seem to appre-

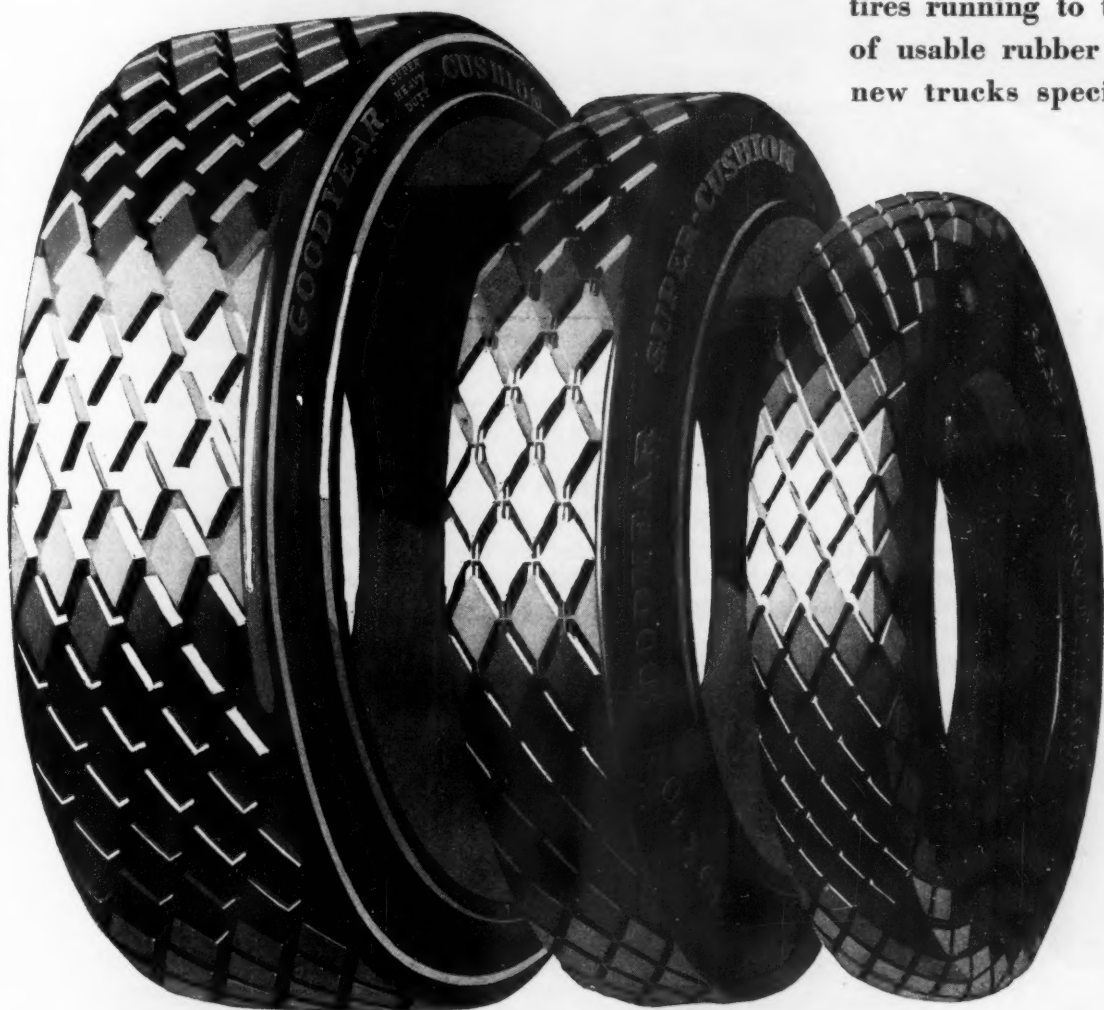
TO SAVE MONEY—fit the TRUCK TIRE to the job

It stands to reason that the right tire for the high speed truck can't be the right tire for operation at ten miles per hour. Nor does a florist's truck require the same tires as a truck for hauling ice.

So Goodyear has specialized in developing the right tire to fill each need, whether your trucks run ten miles an hour or fifty, whether the load is one ton or ten.

The Goodyear line is complete; each tire in it—Heavy Duty Cushion, Super-Cushion, Pneumatic Cord, Truck Balloon, Plain Solid—has specific advantages for the particular duty which it is to perform. Goodyear Truck Tire Service Station Dealers are equipped to make practical recommendations as to the right type and size for your needs, and their expert service keeps

tires running to the last ounce of usable rubber On your new trucks specify Goodyear.

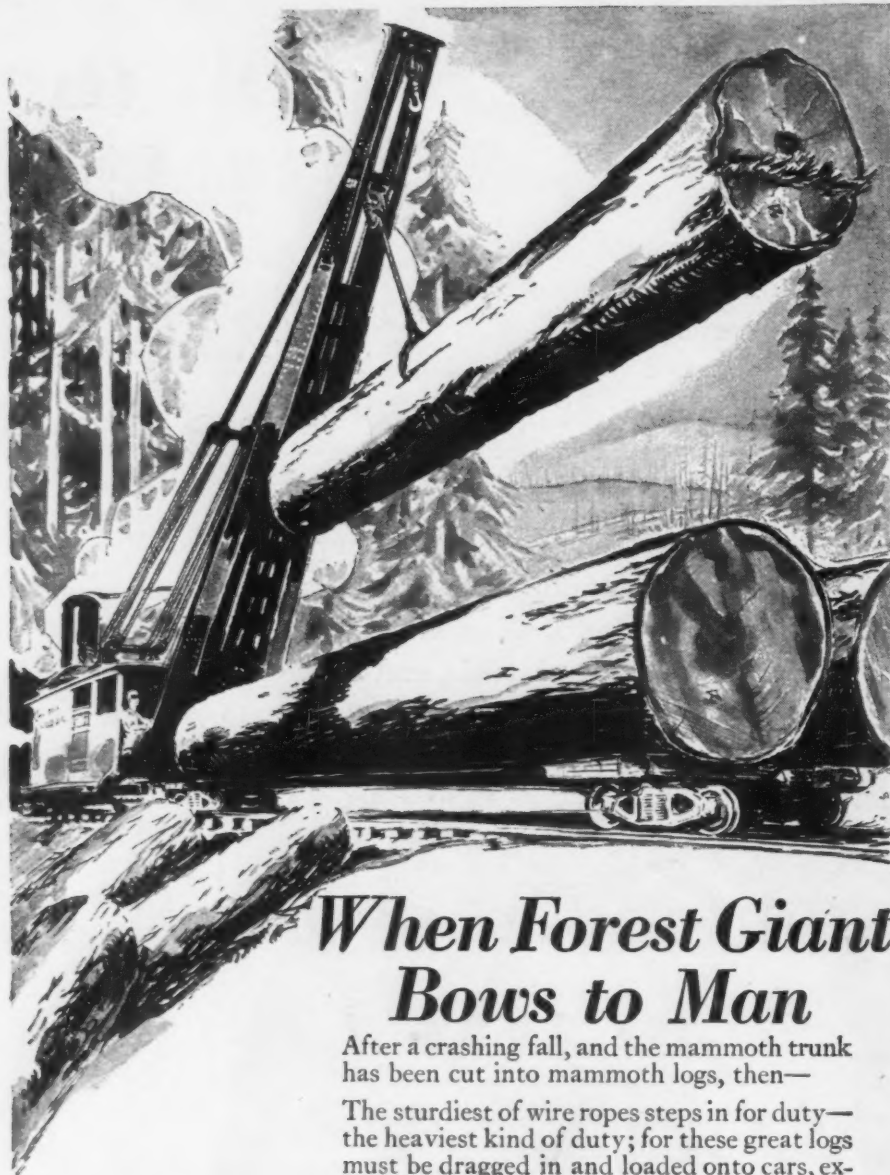


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After a crashing fall, and the mammoth trunk has been cut into mammoth logs, then—

The sturdiest of wire ropes steps in for duty—the heaviest kind of duty; for these great logs must be dragged in and loaded onto cars, expeditiously and with safety to logging crews.

Out where the giant Redwood, Spruce and Fir are "logged," one is impressed by the amount of wire rope with one strand painted yellow, the distinguishing mark of Yellow Strand Wire Rope.

This powerful rope is the great pride—the "pet"—of a company that has made nothing but wire rope for over half a century. Its wires are drawn abroad, in the celebrated Sheffield Steel district, from equally celebrated Swedish stock.

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that are well worth
investigating.



Yellow Strand WIRE ROPE

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ciate that there is a big gap in economic life which Germany should fill.

"All cannot be done in a year. There must be future considerations of debts. Your country is the nearest to self-supporting, but we must live and let live.

"It is just that you protect your home market, but do not sell to the rest of the world in a spirit that will prevent other countries from sustaining themselves.

"Do not erect barriers that are impossible. England would follow; then France, Germany, and the others and there would result an economic savagery that would convince our successors that we had not learned much in foreign trade.

"Send your travelers and your missions to Germany and elsewhere. For all of us to comprehend the needs and necessities of each other would be a boon to humanity."

Views future with confidence

STIMMING declared he was confident that the energy and will to work of the German people ultimately will enable them to "work their way out" of the hardships which befell them and which are now visible even to the most casual observer.

The post-war revival of the North German Lloyd is possibly a barometer of that hopefulness and optimism which Stimming entertains.

Prior to the war, the Lloyd possessed 982,951 tons of shipping. Her vessels dotted every sea route. When the penalties imposed at Versailles had been liquidated, she was left with but 57,000 tons, her largest ship was a coasting steamer of 700 tons.

Today she has a total of 922,426 tons, and such outstanding ships as the *Bremen* and *Europa*. Her capital at the close of the war was \$125,000,000. It is now \$40,000,000 in excess of that figure.

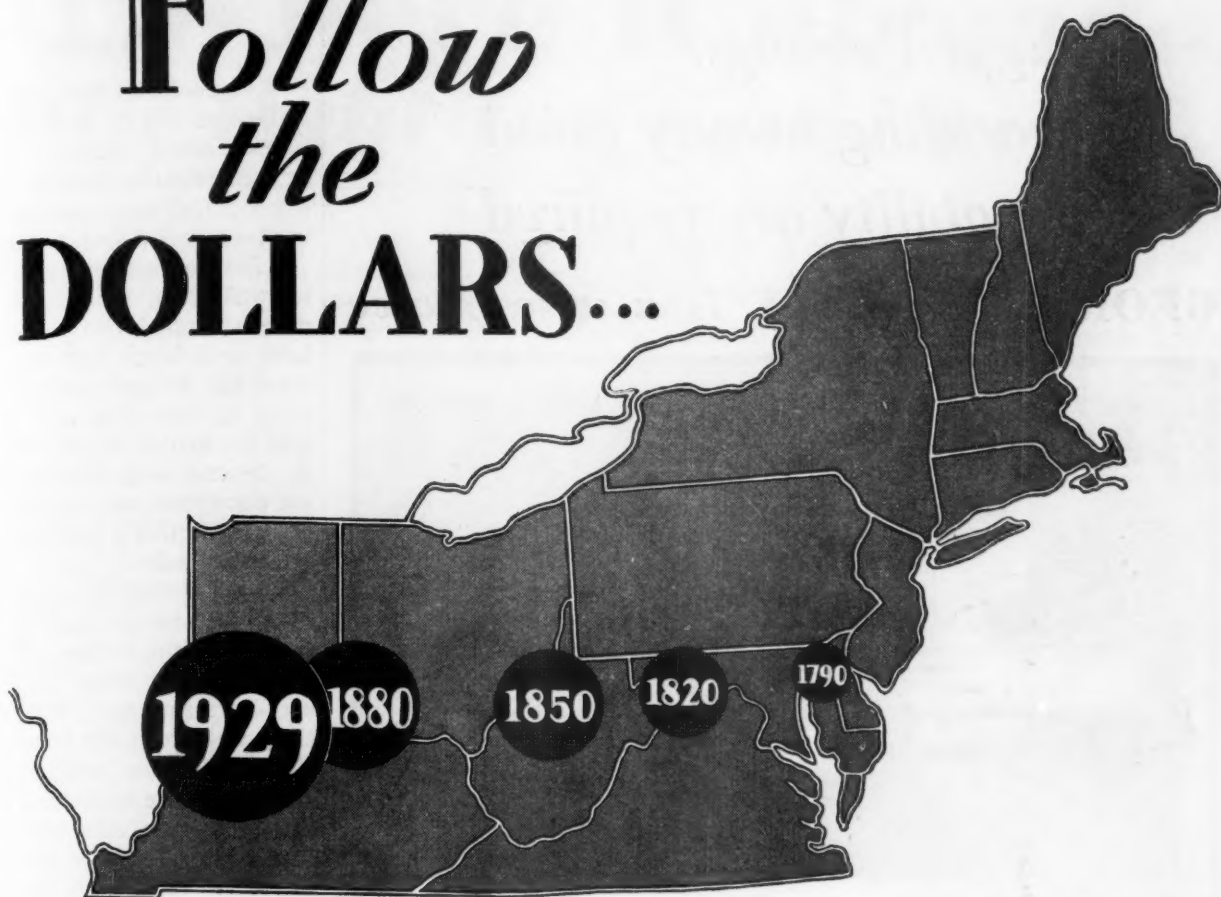
In that brief accounting, the various intricacies of reorganization are not detailed. Nor are the immense borrowings accounted for. Nor the government payments, which the Lloyd holds to have been but a mere fraction of the values seized. Nor are the exchanges of trade interests with foreign corporations which retained their fleets given consideration.

One thing, however, Stimming insists upon giving consideration in speaking of Lloyd's revival. That is in giving a large part of the credit for that revival to the loyal Lloyd workers—both the white-collared and the denim-clad.

By the way, the *Bremen* did break the east-bound record.

N807
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Follow the DOLLARS...



Marketing Map Has Changed

FROM 1790 to 1910 the center of population shifted steadily westward. Since 1910 it has remained practically stationary in the Louisville trading area. . . With *population* as an unfailing index to buying power, keen industrial minds are logically turning to Louisville as the ideal point for economical distribution to *all* important markets.

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Hand-to-mouth buying is compelling the manufacturer to utilize every available means for lowering distribution costs. . . In Louisville he finds a unique combination of advantages that have reduced expense of production and distribution from 12 to 20 per cent.

Strategically located for distribution to markets north, east and west, Louisville is also on the very threshold of the South

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Send for the book, "LOUISVILLE — Center of American Markets", containing specific information about raw materials, labor, markets, transportation and all important factors relating to production and distribution. No obligation. No high-pressure selling.

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436 Columbia Bldg., Louisville, Ky.

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Wood Products, Food Products, Chemical Products, Tobacco Products, Glass and Clay Products, Metal Products, Wearing Apparel, Textile Products.

LOUISVILLE

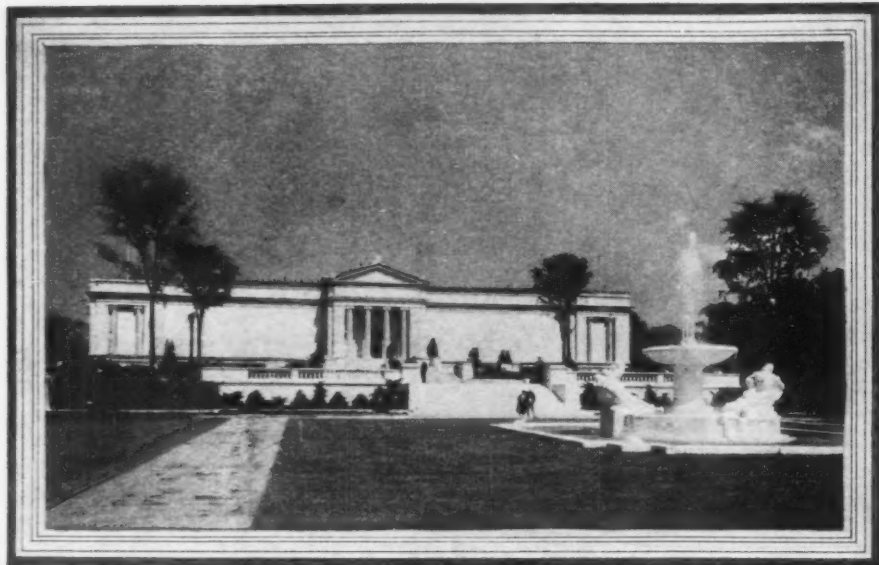
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sparkling beauty . and
durability are required*

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BOTH the Cleveland Museum, built about fourteen years ago, and the "Fountain of the Waters," recently completed, are of White Georgia Marble . . . This marble is durable because it is practically impervious to moisture, it is strong, workable, and has a sparkling crystalline texture which makes it one of the most beautiful marbles produced . . . Georgia Marble is available in any quantity for generations to come, in white, pink, grey, and a range of special colors.

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The Building Trades Awake

(Continued from page 41)

and eager market clearly defined, it seems a simple matter to get wide and economic distribution. But let us review a few actual cases and see whether it has been such a simple matter.

A few years ago the production of plaster wall paint, the material that produces the rough textured surfaces that have until lately been so in demand, came into being in answer to a public swing in taste. One company, getting into the market in the early stages of the demand, went direct to home owners via decorators and architects with its story, and quickly built up a profitable volume of sales.

Within a short time, however, and in spite of a wide spread between its cost and sale prices, it became evident that no great profit would come even with ever-increasing sales. Evidently something was wrong. An exhaustive analysis revealed the trouble. It was the painters of the country. They had to apply this material and seemingly should have welcomed the opportunity to cash in on the new and easy work that popular demand for this material afforded them.

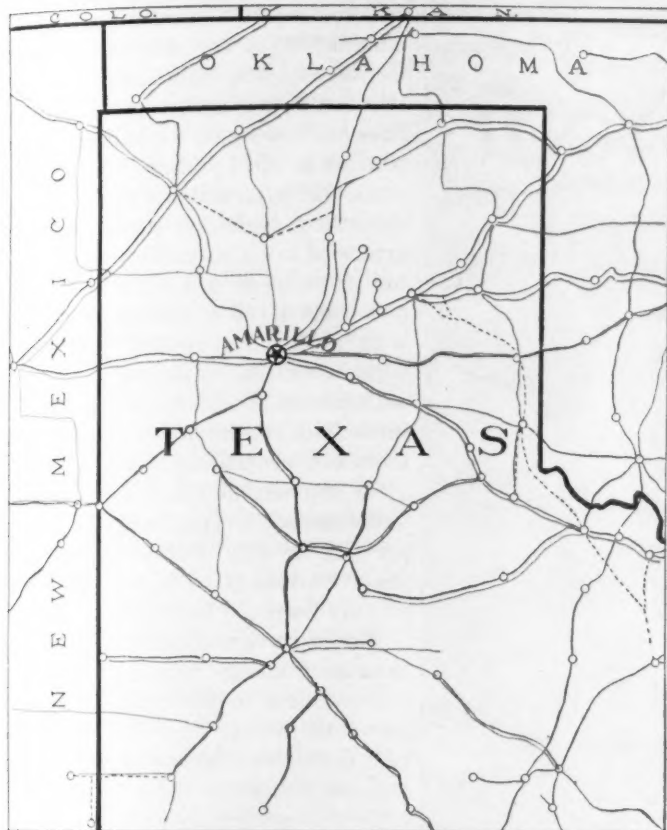
The role the painters played

ON THE contrary, and quite inexplicably, it was discovered that, although not antagonistic, painters were extremely apathetic toward this material and would not help in selling it. The discovery of this fact has necessitated a complete and costly revamping of the sales structure of this company, and loss of time with a material having such a style element is a serious thing. A case of insufficient market study and analysis, you say. Perhaps so, but what of the following instance?

A large and successful manufacturer of wood products, a journeyman carpenter himself, thoroughly familiar with tools and a large employer of carpenters, hit upon an idea to improve the old-fashioned hand screw used by all carpenters. Here was a case where it seemed perfectly reasonable to suppose that the manufacturer knew his market.

Yet after he had spent a year perfecting his device, thoroughly testing it in his own shops, and spent considerable money equipping a plant to produce it, he discovered that carpenters would not buy it. Why? Nobody seems to know exactly, even today, six or seven years

Out Where Railroads still fight for new lines



Map shows rail and highway facilities out of Amarillo, covering area, 175 mile radius. Dotted lines show proposed rail extensions by Rock Island, Frisco, Santa Fe and Burlington.

THE TEXAS PANHANDLE, an area the size of Pennsylvania, is now served by a network of railroads and improved highways, out of its distributing center . . .

AMARILLO

but so rapid has been development in this great empire that 380 miles of new railroad were built in 1927 and 1928, and four major systems now have applications pending for 264 miles of new lines.

This must be significant to every manufacturer and distributor!

Also . . . These Facts

New \$1,200,000 Santa Fe General Office Building. All rail lines in Plains territory operated out of Amarillo. Lines totaling 5,537 miles, including recently purchased 735 mile Orient System . . . operated by Santa Fe from Amarillo.

AMARILLO'S jobbing business in 1928 was \$125,000,000. Amarillo Branch of International Harvester Company has led all other branches for several years. Population of Panhandle has doubled in ten years; now made up of 533,678 prosperous, white Americans. Amarillo has grown from 15,000 in 1920 to 45,000 in 1929.

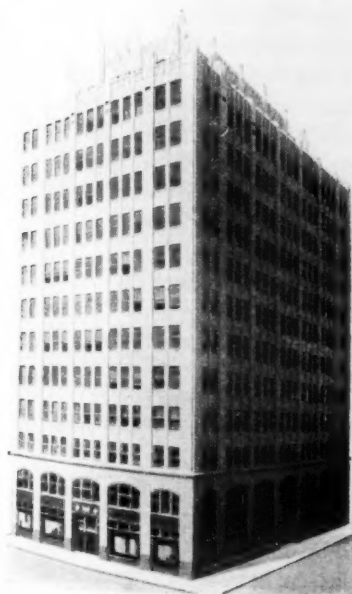
Panhandle produced 45,000,000 bushels of wheat this year. Amarillo bank deposits increased \$10,679,000 in 21 days; now \$28,212,000. Corresponding improvement in banks throughout Panhandle-Plains area.

World's largest natural gas field adjacent to Amarillo. Carbon black, oil, gasoline, all produced on a major scale.

Chevrolet Motor Company, Hudson Motor Company and General Motors Acceptance Corporation all have established new zone offices in Amarillo to serve the Panhandle-Plains.

No other jobbing center can serve this area as adequately as Amarillo. Nearest competitive cities are from 221 to 464 miles distant.

Amarillo welcomes investigation on the part of all manufacturers and distributors.



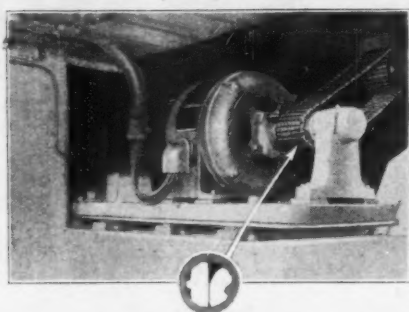
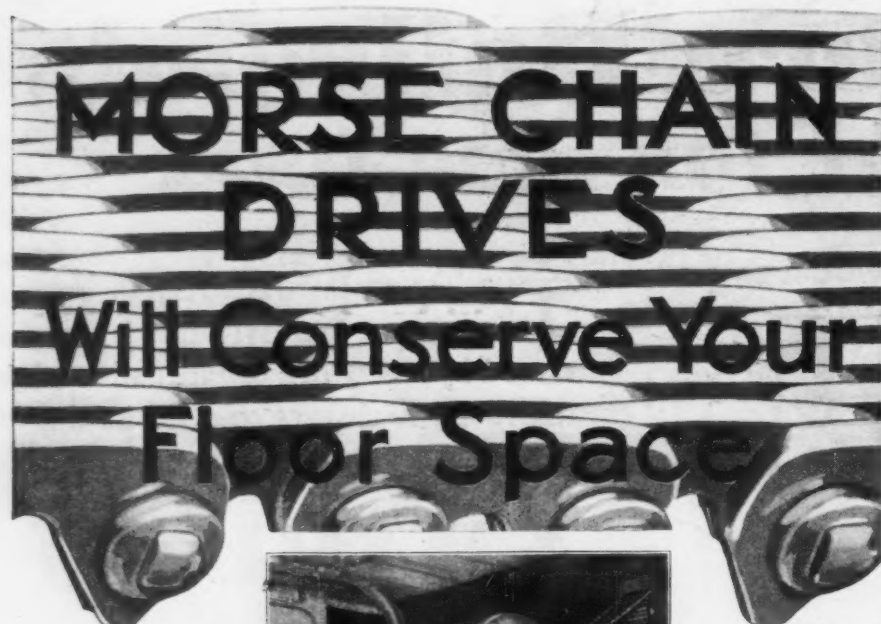
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AMARILLO CHAMBER OF COMMERCE

AMARILLO, TEXAS

Note Amarillo's strategic position in the Texas Panhandle . . . far from other cities.





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later. Apparently it is a case of sales resistance built up by unbreakable custom and habit among carpenters.

Similar examples of the difficulties of marketing building materials could be carried on to some length. Wall-paper manufacturers have come to the realization that modern business demands the elimination of the wall-paper jobber. Conversely, the manufacturers of substitute stones in the form of wall boards, have had to educate local lumber dealers who are in effect jobbers, in the ways to stock and sell a material ordinarily outside their realm. A manufacturer of enameled brick, after 20 years of selling his material as a utilitarian product, now sells it as a decorative medium with astonishing results. Similarly, a window-ventilating device, not meeting with success as a hardware item, attains immediate results when sold to architects as a ventilating system.

So you see, as our sleepy old giant looks abroad, he gets more than the expressive "eyeful." But out into the confusion he must go to do the job that has already been too long postponed.

But, if certain conditions and situations confronting the manufacturer selling products to the national building materials market make the future appear dark, other factors present a rosier and more pleasant aspect.

Offers unexcelled opportunities

TO BEGIN with, the building industry presents opportunities for wealth and service exceeded in no other line of human endeavor. Because of its exacting requirements it may never become a young man's business in the sense that others are. But it can, will and must, take unto itself newer and more youthful ways, and in doing so offers to those who shoulder the burden of the change prizes commensurate with the effort.

Let not the confused and bewildered manufacturer earnestly seeking the answer to his new market problem turn aside from the task as unworthy. Such a shirking of responsibility would not be entirely unnatural from the older and richer of the industry, but building needs these older and more experienced heads as they were never needed before.

The prize far transcends dollars. It is better shelter for the nation. An awakened industry will produce better products in the sense that they will be designed more closely for their needs. Better and more modern style will mean homes better adapted to human needs. Goods will be easier to get and easier to pay for. There will be a wider and better understanding of the proper use of

building materials. Even if building prices do not go down, we will all get more for our money and will have better, more beautiful homes and factories.

Another bright point in the picture is the inherent stability of the industry, based on the stability of land itself. Except for temporary setbacks, building has always enjoyed an increasing growth. It always has been, is and always will be, the second largest market in American industry—the market in which demand does not have to be created but always exists.

A stable industry throughout

THIS NATIONAL MARKET stability also has its counterpart in the separate branches of the industry. It is not within my knowledge that any separate branch of the building industry, once it has become a recognized entity, has ever lost its entity. Quite naturally, individuals within a branch will conflict with one another. But the manufacturer producing roofing, plumbing, hardware, brick, glass or whatever can always have the assurance that no building will ever be completed without this sort of product.

Finally, and most important of all, the reassuring fact about this great industry's future is the unusual way in which its buying factors function.

In no other line of human endeavor does such vast purchasing power lie in the hands of so few people. This small group is divided into four clearly defined subdivisions—owners, architects, contractors and building supply dealers.

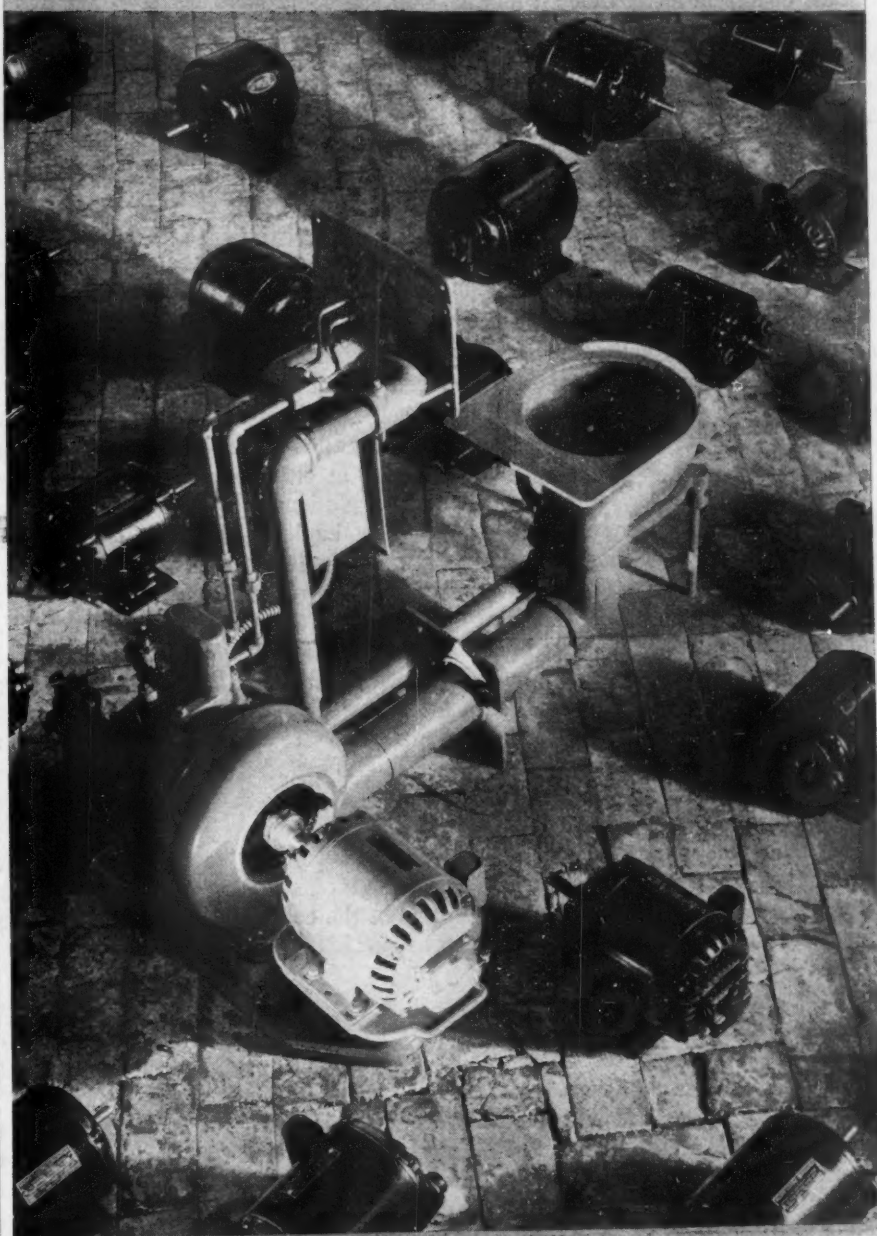
In the entire country there are only about 8,000 architectural offices, nearly 200,000 contractors or subcontractors and approximately 25,000 material dealers. These men are easy to reach either by personal or printed selling.

A little study will make it evident that architects, contractors and dealers are far more interested in and concerned about the purchase of material from the manufacturer than they are about its resale to the consumer. So, without loss of time or waste of money, the manufacturer can take his wares quickly and cheaply to three of the possible four buying factors.

Nor need there be concern about spending money to reach this market. Architects, contractors and dealers may arrive at decisions about material slowly, may not even be able to buy at once, but when convinced can be counted on as customers who will say "yes" at the buying moment with a conviction based on knowledge and experience, and not on a passing impulse.

Is the Motor Right?

An appliance can be no better than its motor. The right motor will be electrically and mechanically suited to the job and will give enduring trouble-free service. Get a Wagner recommendation, then test the recommended Wagner motor for suitability...quietness, efficiency, power-factor, durability and appearance.



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Literature on Request

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MOTORS: SINGLE-PHASE, POLYPHASE, DIRECT CURRENT

Banks and Bankers of Tomorrow

(Continued from page 35)

Government by setting up under New York charters banks which will be outside the jurisdiction of the Federal Reserve System. That is an extreme reaction against the political obstruction of business evolution along modern lines.

The MacFadden Act sought in vain to still the controversy over branch banks. It undertook to put national banks on an equality in respect to privileges in regard to branches with state banks. But it limited branches to the city in which the main office is located. It failed to open the doorway to nationwide systems of branches, such as obtain in Great Britain and Canada. At meetings of the American Bankers Association, there are usually subsurface disturbances between the advocates and the opponents of branch banking.

Chains offered as a way out

OF COURSE, the laws are elastic. Lawyers are called in by banking executives to show them how they can obtain their objectives without violating the laws. Chain banking has been suggested as a way out. Banks in different communities and states, which could not be consolidated under existing laws, are brought under common control through holding companies.

Some regard such chains as an intermediate stage in preparation for ultimate nation-wide branch banking. Others regard the new tendency as a permanent trend. They argue that under the chain system each bank has its own charter, and its own officers and directors, with policies adapted to local conditions. Such independence, however, is more apparent than real, for the officers and directors are subject to the instructions of the holding company, which owns control. Such chains may be regarded as extralegal systems of branch banking, without the public supervision to which out and out branches could be subjected.

Though America has in recent years developed better banks and better bankers, ten per cent of all banks in the United States have suspended operations since the war. The failures have been large numerically, but comparatively small in respect to liabilities. These failures have been primarily in the agricultural Northwest, in Iowa, and in Florida and Georgia. It is a

question whether such communities did not pay too high a price for the privilege of having their own local banks. Branches of great urban banks, with diversified loans and better access to information concerning broad trends, doubtless could have better stood the ordeals of crop failures and agricultural deflation. Natural laws are eliminating the inefficient in the realm of trade, and the development has recently spread to banking. In the latter field however, legal barriers impede the process of selection.

There is some resistance to the modern conception of the unspecialized bank. The National City Bank, which has been the foremost exponent of the idea of the department store of finance, has recently refined the process by turning its bank into a group of affiliated institutions—The National City Bank, specializing in old-line commercial banking; the National City Company, in investment banking, and the City Bank Farmers Trust Company in fiduciary activities. A recent merger in Chicago was based on the National City pattern, but most consolidations have brought all the components into an institution with a single charter. In Massachusetts, the banks have stretched the conception of banking to include the sale of life insurance.

Where are we going in banking?

In order to find the answer, I have consulted outstanding bankers in all parts of the country. A few typical expressions of opinion are given here.

A western banker's view

F. L. LIPMAN, president of the Wells Fargo Bank & Union Trust Company, of San Francisco, one of the ablest commercial bankers on the Pacific Coast, said:

"Is the movement toward chains and branches a development of banking as such, or is it rather an expression of interest in buying banks, capitalizing them, and running them, where size and prestige have counted, and where profitable operation and service to the public have been unconsciously taken for granted?

"The movement parallels the general boom in securities, apparently based upon an incorrigible confidence in the future. Thus the public believes in chain stores and buys the stock issues

of such chains, and the public has been sold the idea that chain banks may likewise develop and prosper.

"It is becoming clearer that chains of all kinds may prosper to the extent that the business they conduct can be standardized. How far the banking business can be so standardized is only in the early stages of consideration. Of course, the ultimate decision will depend on how well the public is served.

"Stress is laid upon European and other foreign countries' experience in branch banking, while on the other side doubt is expressed as to whether these foreign conditions really have analogy in the United States where, with a population more heterogeneous, there is less opportunity for standardization of function and where the average business man desires to deal with a principal when calling on his bank.

The probable future trends

"OBVIOUSLY, there is much debatable ground as regards the future trend. We shall probably continue to see these developments toward chains and branches as long as bank stocks are among the favorites of market speculation. After that we can expect to get down to brass tacks and study what can and what cannot be operated profitably on the basis of good service. The fact that many of these chain and branch experiments are in able hands promises that the experiment is going to get a fair trial, and that is a good thing for everybody.

"It is hard to see why a big business would want to own a bank, or at any rate to own one for any other purpose than merely to make an investment. The essence of banking is diversification. No well-run institution could lend more than a small part of its resources in any one direction and an honestly run bank owned by big business interests could not lend those interests more than it could if it were independent of those interests.

"A bank must rest upon the public estimation of its credit and such credit could not stand a well-founded suspicion that the resources of the bank would be used to further the purpose of a particular set of owners."

Nathan Adams, president of the American Exchange National Bank, of Dallas, Tex., told me:

"It is my opinion that banks which

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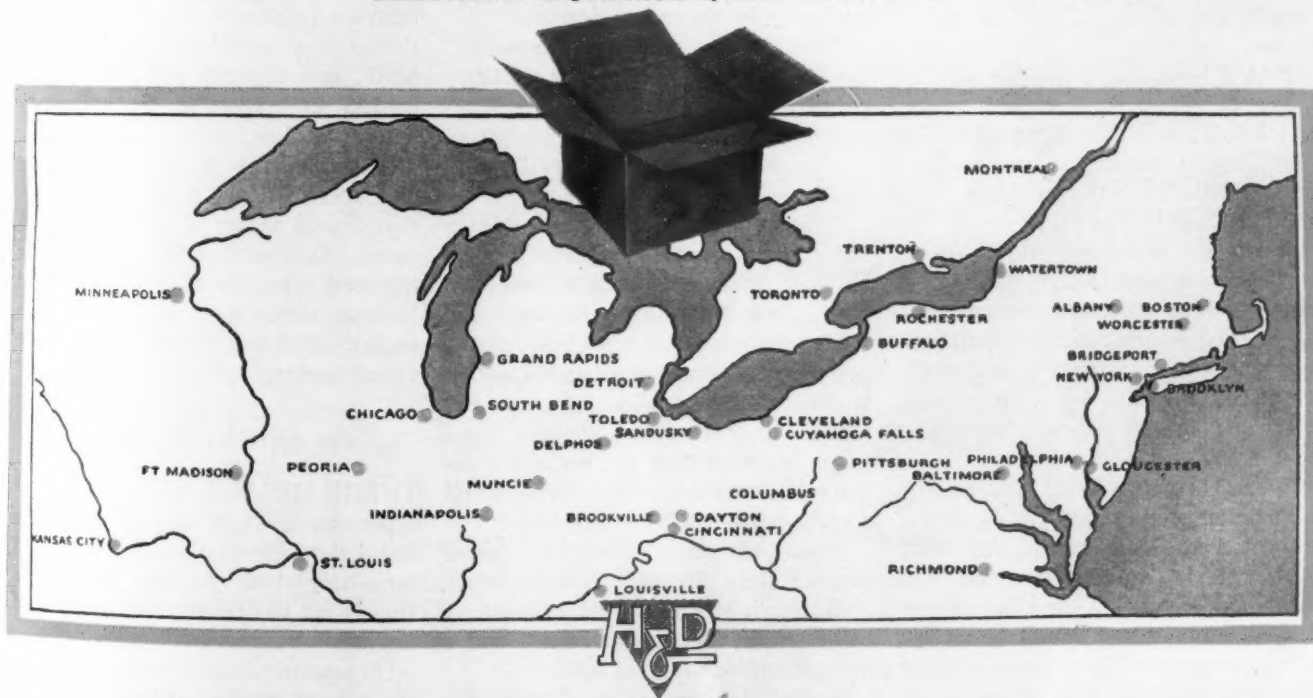
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seek to compete at present must have specialized departments giving service other than simply receiving deposits and loaning money.

"It is my further opinion that there is a decided trend toward chain banking, and unless Congress enacts some legislation there soon will be many chains of banks throughout the United States.

"I think that the trend of large corporations to finance themselves through the sale of securities is altering to some extent the situation in respect to paper eligible for rediscount. Still in this section of the country, there will be, in my opinion, plenty of paper eligible for rediscount through the financing of crops moving to market.

"There is a divided opinion both here and in the East in regard to chain banking. Still, the trend of the times is toward the formation of interrelationships that will control the nation's business through friendly cooperation even though some of the institutions still maintain their independence.

"In some parts of the country the formation of a trust is already an assured fact, but, until the great financial centers like Chicago, Boston and New York attempt it as a nation-wide matter, I do not believe that chain banking will go beyond the borders of the various states."

A Chicagoan's prediction

LUCIUS TETER, chairman of the Chicago Trust Company, which recently merged with the National Bank of the Republic, had this to say:

"I do see a further trend toward chain banking and branch banking. Of course, I think the larger corporations, showing the general tendency of all business, have already tended to alter methods of banking. Fundamental banking conditions do not change, but styles must change from time to time.

"While 'big business' undoubtedly will be interested in banking, I doubt if wise commercial leaders will undertake to go into the banking business. Men of this sort appreciate the value of specialized training and would be as unwilling to assume the responsibility of operating banks as they would be to remove their own appendices.

"With the improvement in our banking laws and with better bank management, more and more people are using banks. This is also partially due to the more general distribution of wealth."

A. P. Giannini, of San Francisco, has gone on record as follows:

"The bank of tomorrow is going to

be a sort of department store, giving the people anything and everything they want in the way of banking, investment and trust service."

Rudolph Hecht, president of the Hi-bernia Bank & Trust Company, New Orleans, said:

"It is stated—though I do not vouch for the accuracy of this—that already out of the approximately 25,000 banks in the United States 285 control 72 per cent of all the commercial deposits in the country. We already have traveled a considerable distance when 285 banks out of 25,000 control all but 28 per cent of the commercial deposits."

The future of the trusts

IN RECENTLY announcing its new setup, the National City Bank group, heralding the dawn of a new day in banking, said:

"We believe that the day of the individual trustee is waning and that the day of the corporate trustee is just in its dawning. With the complicated and intricate problems of the present in respect to the administration of estates, with the growing need for so-called voluntary or living trusts, and with the opening of new avenues for the relief of the cares of handling accumulated wealth, the trust business is one presenting opportunity for enormous growth.

"It is, in our opinion, a business that can be conducted to its fullest efficiency only by specialists. . . ."

Ralph E. Badger, vice president of the Union Trust Company, of Detroit, said:

"The trend appears to be in the direction of a nation-wide system of branch banking directed from head offices in New York. Of course, the legal and traditional obstacles are many and it may be a long time before such a system is realized. Nevertheless, it seems the logical solution of our banking problems. It seems that the social advantages of such a system are manifest and greatly outweigh its disadvantages."

Among the advantages, Mr. Badger stressed were diversification, mobility of funds, better character of banking judgment in the smaller banks, and a more complete range of service.

Walter McLucas, of the Commercial Trust Company, Kansas City, Mo., said:

"I think that the tendency of banks to departmentalize is quite desirable. There is a further trend toward chain and branch banking. The formation of vertical trusts will tend toward control of big business by its own banks."

Banking is changing because it is seek-

ing to keep abreast of fast-changing business.

The fundamental element of flux in the business structure has been the growing importance of big business. As large corporations become dominant, the banks, which once were economic monarchs, become mere service institutions. They are no longer the headquarters of the economic high command. Business is becoming increasingly independent of the banks. The corporations have freed themselves of dependence on bank loans by raising additional capital through the sale of new stock and through reinvesting profits. That is why bank portfolios contain a declining ratio of purely commercial paper.

Business corporations have been getting funds directly from investors, who in turn have anticipated future savings, and put themselves in funds through bank loans. Accordingly, bank credit to an unprecedented extent has taken the form of collateral loans secured by stocks and bonds. More than half of the bank credit of the country is nowadays tied up in securities and in security loans.

The banks have become great investment institutions, rather than commercial-banking organizations, and accordingly the time-honored relationships between the supply of bank credit and business prosperity have been altered. Business corporations, with surplus funds, now compete with the banks as lenders to brokers in the call-money market in New York.

A second reason for the changing character of banks is America's transition from a debtor to a creditor-nation status. As a part of this development, the rank and file of Americans have become investors—and also bank depositors. There is a trend toward universal banking in the United States.

Time deposits show increase

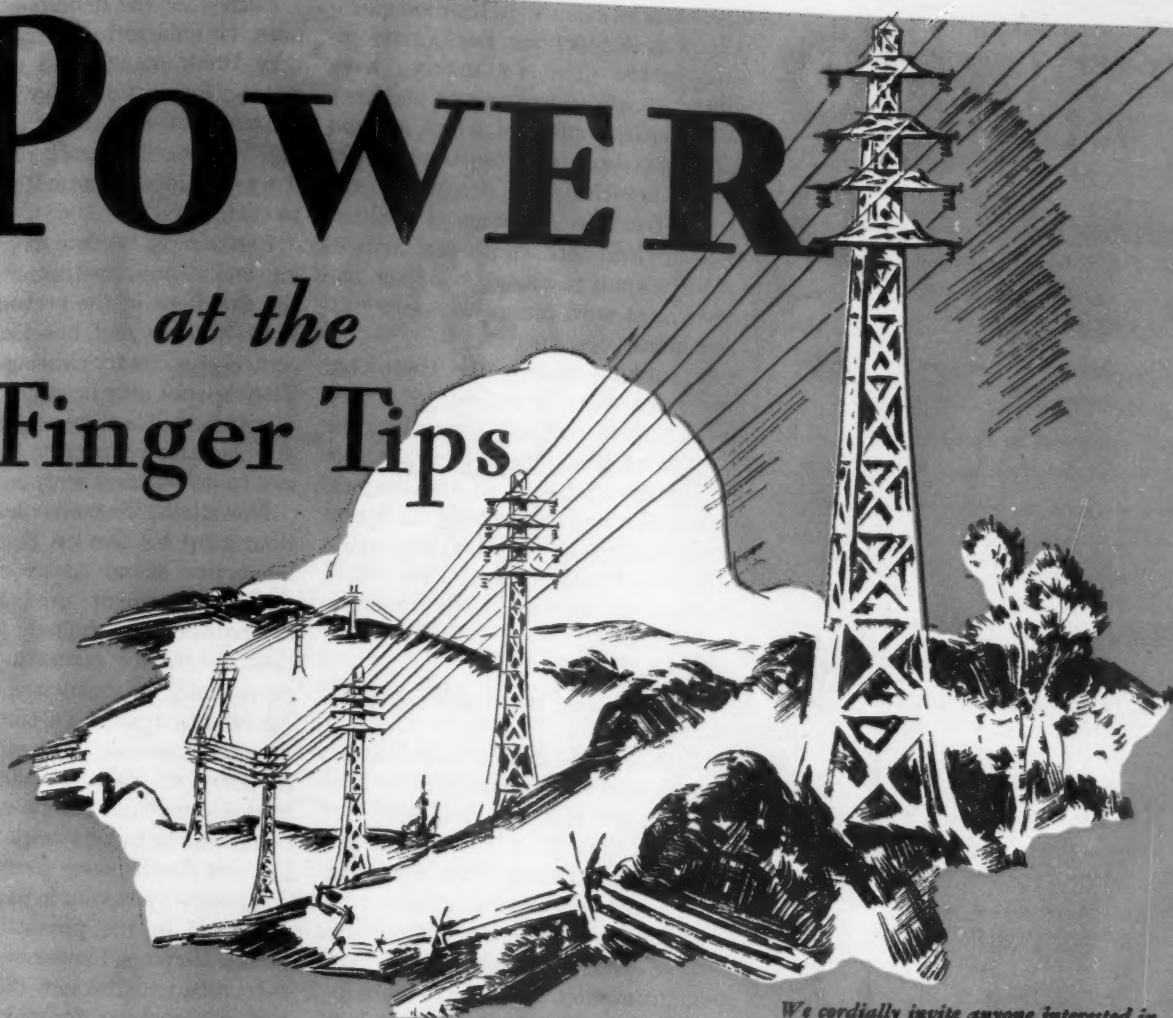
THERE HAS been, also, an enormous expansion in time, as opposed to demand, deposits, on which the banks need keep only three per cent in reserves. This trend has permitted an enormous expansion in bank credit.

On account of curtailed profits in the old type of purely commercial-banking operations, the banks have searched for new lines of more profitable activities. Expenses in banks rose without a commensurate increase in the return on commercial banking. As one veteran banker puts it, "The profit in the banking business today is more in the frills than in the old form of banking."

The attempt to develop personal loan

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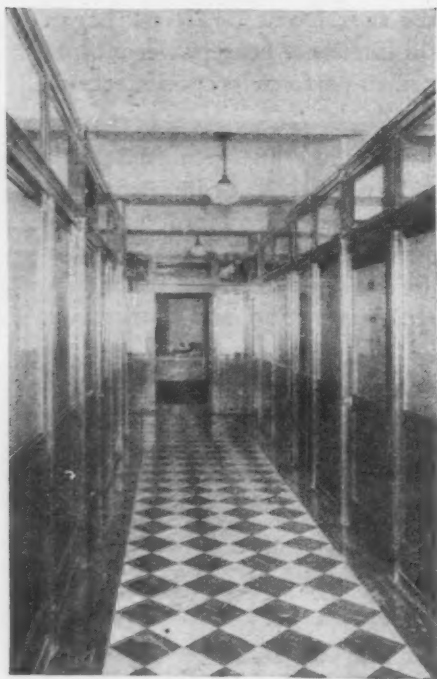
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business is an example of the multiplication of bank functions. Banks have intensified the drive for savings, have opened women's departments, and have added security affiliates, which sell and underwrite securities. They have opened foreign branches and heightened the drive for foreign patronage. Permitted by law to lend only ten per cent of capital and surplus to a single borrower, the banks must grow commensurately with their largest customers.

As banking exceeds the traditional limitations there is a need for a new definition of banking. Socially, the function of the bank is to investigate individuals on behalf of the business community, and to vouch for the honest and industrious. By substituting its own credit for that of the business man, the bank obviates the need of multiple investigations.

The bank and the business man

AS LONG as the bank stands behind a business man with its credit, other business men are ready to deal with him. The bank thus turns future value into immediate purchasing power. Such operations converge around short-term credits, which are the essence of commercial banking, which finances business operations in motion. Investment banking, however, supplies permanent or long-term capital—for the building of plants and the purchase of machinery. Such operations also start with faith in the borrowing individual or corporation, and banks have to an increasing extent in recent years added security affiliates to get this patronage too. Underwriting deals with the manufacturing aspect of the security business. As a corollary, the banks also entered the field of merchandising the same securities to investors.

The inauguration of the Federal Reserve System gave the state banks much of the strength that previously had been associated with national banks. To even matters up, the federal laws have been changed to give national banks some of the privileges of state banks and trust companies. Nowadays, accordingly, the national banks can perform the fiduciary functions of trust companies.

The Federal Reserve Act also authorized national banks to have foreign branches. Domestic branches outside the state are still taboo, but some of the largest banks have started a nationwide chain-store system of offices of their security affiliates, which could be transformed into branch banks when and if the laws are changed.

Each year the definition of banking must be enlarged. When the National City Bank inaugurated a newfangled service, Frank Vanderlip was asked by conservative directors, "Is that banking?" Vanderlip's stock reply was that it was justified because it was a service to customers.

Banks have become more than lending and deposit institutions. They are the ganglions in the nervous system of world finance and business. They are central stations for clearing intelligence. They are not only headquarters for consultation, but are frequently the meeting place for connecting those who desire to do business with one another.

Nowadays, the banker has to do more than keep his feet on the ground. He must give sound advice concerning a world in ferment. And he must be sympathetic and human, for new business agents for competing banks are perpetually soliciting the accounts of his best customers. Of course, the substantial business concern, desiring to diversify its risks, human and otherwise, has multiple bank connections, not being willing to let a single banker have life and death power over it.

The new viewpoint in banking is being expressed in the physical quarters of banks. Bankers, like business men, have succumbed to the new cult of beauty, and are seeking to make new bank quarters esthetic as well as serviceable. Banks are laying less stress on having overly formal physical surroundings. The symbol of the new attitude is the removal of the cages before the tellers' windows.

An interior of paneled oak walls, beamed ceilings, oriental rugs on the floor, comfortably upholstered chairs, etchings on the walls, an atmosphere of repose and relaxation—that's the physical setting of the ultramodern bank.

The banker changes his role

AS ONE observer of the new trend in bank equipment remarked, the banker is switching from the role of villain to the role of hero. He is learning to play the part of the beneficent counselor who extends a helping hand. And with this new attitude of friendliness toward the public is coming a new setting.

Bankers who visit the Bankers Industrial Exposition in New York show the quickest response to the ultramodern displays. The outstanding feature is the model directors' room, which resembles a drawing room in a fine residence.

Gone are the conventional directors' tables, and the stiff-backed chairs. Instead there are armchairs, upholstered

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The Pillsbury Flour Mills Co. bought their first Pneumatic Machine in 1911. Since that time, they have added 74 more to help their packaging operations keep pace with their steadily increasing sales and production. Theirs is a practical duplication of the experience of the Great Atlantic and Pacific Tea Company, Colgate-Palmolive-Peet Company, Lever Brothers, Swift and Company, and hundreds of others of similar importance.

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THE successful illumination of "after-dark" sports events is but one illustration of the unusual development of lighting.

It was not until heating engineers took a leaf from lighting's book—directing and controlling heat as light is directed and controlled—that entirely satisfactory and economical industrial heating was possible.

Modine Unit Heaters direct heat down into the working zone. They absorb the cold stratum of air that blankets the walls—and sometimes the floor—in a constantly moving current of warmed air.

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in needlepoint, divans in tapestry, hand-carved odd tables with modernistic ash trays, oak-paneled walls (with hidden compartments where refrigerators and beverages containing not more than half of one per cent of alcohol are concealed), several exquisite etchings on the walls, silk drapes at the windows, oriental rugs on the floor, a wood-burning fireplace, and lamps with parchment shades.

The typical business place of the future will have a noncommercial atmosphere. Civilized men want beautiful surroundings where they spend most of their waking hours. The standard of living during office hours has been rising.

The informal motif in bank structures has been carried out by the Bankers Trust Company, of Hartford, Conn. The bank of the future will be subject to marked fluctuations in fashions in architecture.

Noise is eliminated in modern banks. Soundproof partitions of cornstalk or other materials and especially treated ceilings absorb all noise, and thus make concentrated work less exacting.

With the new note of informality and artistry, the bank of the future will also introduce labor-saving machinery. Machinery now does the calculating that once required a staff of skilled accountants. Coins are counted, sifted, and sealed in rolls by machines. The day's total deposits and withdrawals are available by pressing a lever on a machine. A switch sets in motion a machine which addresses, seals, and stamps hundreds of envelopes an hour.

Perhaps the Westinghouse engineers are at work teaching Televox to smile and refuse to renew loans to customers. If so, every country bank in the nation would be a good prospect for the vendors of the mechanical man.

The Vanishing Sails

SAILING vessels have been decreasing at the rate of 400 a year for 30 years, and if that mortality continues it will be only five years until we will be saying "farewell sail."

So says the Merchant Marine Information Office of San Francisco in pointing out that in 1869 there were 18,238 sailing vessels flying the American flag, and only 3,619 steam vessels. At the beginning of 1929 the number of steam and motor ships exactly equalled the number of sailing vessels registered in 1869. The sailing ships had declined to 1,939—a mere handkerchief of sail against the canvas in the 60's.

Advertising by a British Firm

WHEN I am in England I never fail to buy *The Times*, in order that I may read the advertisements of Selfridge & Co., Ltd., the big department store. These advertisements are written in the form of editorials. They discuss the fundamentals of modern business in readable, understandable style, with special reference to the Selfridge company.

The title of one article was "Size and Service," and in it the author answered the criticism, often heard, that big companies tend to neglect service.

"It is a matter of attitude, not of arithmetic," says Selfridge. "A one-man shop with one customer can be devoid of the spirit of personal service. When a big business forgets service, the trouble is not size but self-satisfaction. The big firm thinks it has arrived and can slacken its efforts. It does not want to climb, so it kicks away the ladder. . . .

"This company is big because big-ness is necessary to the highest efficiency in a line which we have chosen for ourselves. But it has not declined one hair's breadth from the standard of personal service with which it began. Nor is it likely to. We guard personal service and the spirit of personal service as a soldier is taught to guard his rifle, the thing he must never lose, never part with, never allow to become stained with rust.

"And we abhor self-satisfaction."

Selfridge's, founded by an American, has become a notable British institution, and one reason for this has been its willingness to be so outspoken. The English are supposed to be close-mouthed, but the Selfridge company has found that they, like every one else, will listen to good sense, clearly expressed.

—W. F.

Flying de Luxe

AS RICH in its appointments as the sanctum of a banker, the Brunelli air liner built for Paul W. Chapman, Chicago and New York capitalist, stands today as perhaps one of the finest vehicles of air travel in existence.

The cabin, specially soundproofed with an interior trim of walnut, provides every comfort of the air for its capacity load of 20 passengers.



You'll be proud to say "I'm staying at HOTEL CLEVELAND"

THE MOMENT YOU ENTER the friendly portals of Hotel Cleveland, and step into the broad lofty lobby, you'll know it is "your kind of hotel."

The luxuries and distinctive atmosphere of a fine private club. Instant, helpful service springing from a hospitable desire to see to it that you enjoy your stay here. Meals of a deliciousness that have made this the preferred dining place of foremost Clevelanders. And rooms that welcome you, after a busy day, to rest and relaxation and repose—deep drowsy beds, crisp linen, deep-piled carpets, chairs such as you'd have at home, with well-placed lamps and plenty of them, Servidor service, and a well-stocked and well-lighted desk.

In a word, Hotel Cleveland is very like some fine, distinctive club, yet with all the conveniences and facilities you properly expect of the most modern hotel in a great city like Cleveland.



When you are traveling, you will appreciate Hotel Cleveland. When your associates or your salesmen travel, it will add to their prestige with Clevelanders if their address here is Hotel Cleveland.

Conventions—Sales Meetings

Hotel Cleveland is now booking conventions and meetings for the 1929-1930 season. Unusually complete facilities are available for meetings of any size. Floor plans and full information will be sent gladly, on request to the manager.

HOTEL CLEVELAND

On the Public Square, adjoining Cleveland's great new Union Terminal development. Room rates from \$3.

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How We're Paying Our Highway Bill

By HARRY TUCKER

Professor of Engineering, North Carolina State College of Agriculture and Engineering

THERE are about 25,000,000 motor vehicles in the United States. It is, therefore, safe to assume that there is an average of one motor vehicle to each family; and, thus, that the heads of nearly all the families are financing a motor car. This does not mean merely the first purchase of the car, but all other expenses incident to ownership; and this includes the items of motor-license fees and the gasoline tax.

Twenty years ago such forms of taxation were hardly heard of; now they constitute almost universal forms of taxation, to be paid by all who ride. All states impose a license fee for operating a motor vehicle; all states now have some form of gasoline tax. The lowest tax is two cents on the gallon and this prevails in ten states. The highest rate of tax is in South Carolina and Florida where it is six cents. Twenty-two states have increased the gasoline tax by one cent or more per gallon since January 1, 1929.

A fairly popular tax

THE automobile was responsible for the great era of road building upon which all the states, and the Federal Government, have embarked. Raising funds to meet the enormous costs of building highways was a tremendous problem until the gasoline or fuel tax was devised. Its adoption has been largely free from criticism for under it the user pays for the road and, further, by use of the tax to improve roads the motorist's cost of transportation is reduced. It is, therefore, logical that the moneys derived from motor-vehicle and fuel taxes should be used only in the construction and maintenance of highways. This principle is recognized by all the states except one.

The amount of funds derived from these sources of taxation is enormous. In 1928, the states collected \$322,630,025 in motor-license fees. In gasoline taxes the amount collected was \$304,871,766. The total of the two items is \$627,501,791. In many states these taxes amount to more than half the

total revenue collected by the state governments. New York collects the greatest amount in motor-license fees—\$34,306,706; California collects the greatest amount in gasoline tax—\$29,566,769.

By far the greatest part of the motor-vehicle and fuel taxes collected is devoted to construction and maintenance of state roads. Thus, in 1928, \$419,926,863 was used in financing state roads. In some states a certain part of these taxes was used in assisting the counties. Thus, in the same year, \$117,780,010 were given to the counties for road construction and maintenance.

The state roads constitute only about ten per cent of the total road mileage in the United States, and the distribution of the motor-vehicle and fuel tax receipts as indicated above may, at first thought, seem unfair to the counties. On the other hand, traffic studies indicate that state highways carry about 80 per cent of the motor-vehicle traffic. The amount which the counties are getting is about 20 per cent of the total amount collected; and this division of the funds between states and counties is in approximately the right proportion, based on traffic.

It does not appear, from available information, that incorporated cities and towns share in these taxes, except in a few isolated cases.

As long as the state-highway systems are in process of being built, there will not be much demand from the counties and cities for a share in the gasoline tax funds. But with the completion of the major road-building programs in some states, counties and cities will insist that a portion of the funds raised from motor-license fees and fuel taxes be returned to them. And their demand will be particularly effective when the effort is made to divert these funds to other than highway use. Florida, even now, is using its additional tax of one cent on the gallon of gasoline for the support of schools and colleges.

In many states the automobile owner is now bearing more than his share of the cost of highways. In a general way, highways should be built and maintained from funds raised from the

sources receiving benefits from such highways. There are three such sources—those receiving general benefits, those receiving special benefits, and those receiving traffic benefits.

A system of well-constructed highways will increase the general prosperity of a state through increasing transportation facilities. All forms of property in such a state will share in the prosperity, and a general tax for road purposes should be levied on all property.

A special tax justified

THEN, too, those sections through which the state highways are located will receive special benefits in the form of increased business and increased land values. A special tax should, therefore, be levied on those districts through which the roads are located, or against land abutting on such highways.

Traffic should bear a portion of the cost, in proportion to the direct benefits which it receives.

From the above explanation it is clear that road funds, under an equitable arrangement, would be raised from a general tax, a special property tax and from motor-vehicle fees and a tax on gasoline. In many states all of the funds for building state highways now come from the last source. The county roads are generally built from funds raised from a general tax on property; and city streets, in some cases, are financed by assessments against the abutting property. The three general forms of taxation are, therefore, all in effect, but seldom for the construction of the same system of highways.

For those states which are largely rural the gasoline tax and motor-license fees have served as the sources of highway funds. Without these sources, it is hardly likely that these states would have been able to construct their state-highway systems. But increases in gasoline-tax rates should always be based on the return which the motor-vehicle owner receives from improved highways. On any other basis such an increased tax places too heavy a burden on the owners of motor vehicles.



BLOTTERS OF THE SUN

From high above and far away, the sun daily attempts to flood the earth with its health giving rays.

Day by day, both near and far, man does his worst to blot out the sun by letting chimneys and smokestacks stain the sky with health and wealth destroying smoke.

Even in that fair city towards which the eyes of the United States turn for beauty and majesty because it is the seat of national government, lordly creations of the architect's art are being discolored by defacing smoke.

What benefits it to create beauty thus to destroy, whether it be in Washington, New York, St. Louis, Chicago, Philadelphia, or in any other center of population?

By one means or another the smoke nuisance must be curbed to make cities more habitable, to make wealth and beauty more secure. In most heating units, burning Famous Reading Anthracite is the swiftest, surest, most economical way to prevent smoke.

Our engineers will cheerfully work with you on your firing problems without obligation to you.

A. J. MALONEY
President

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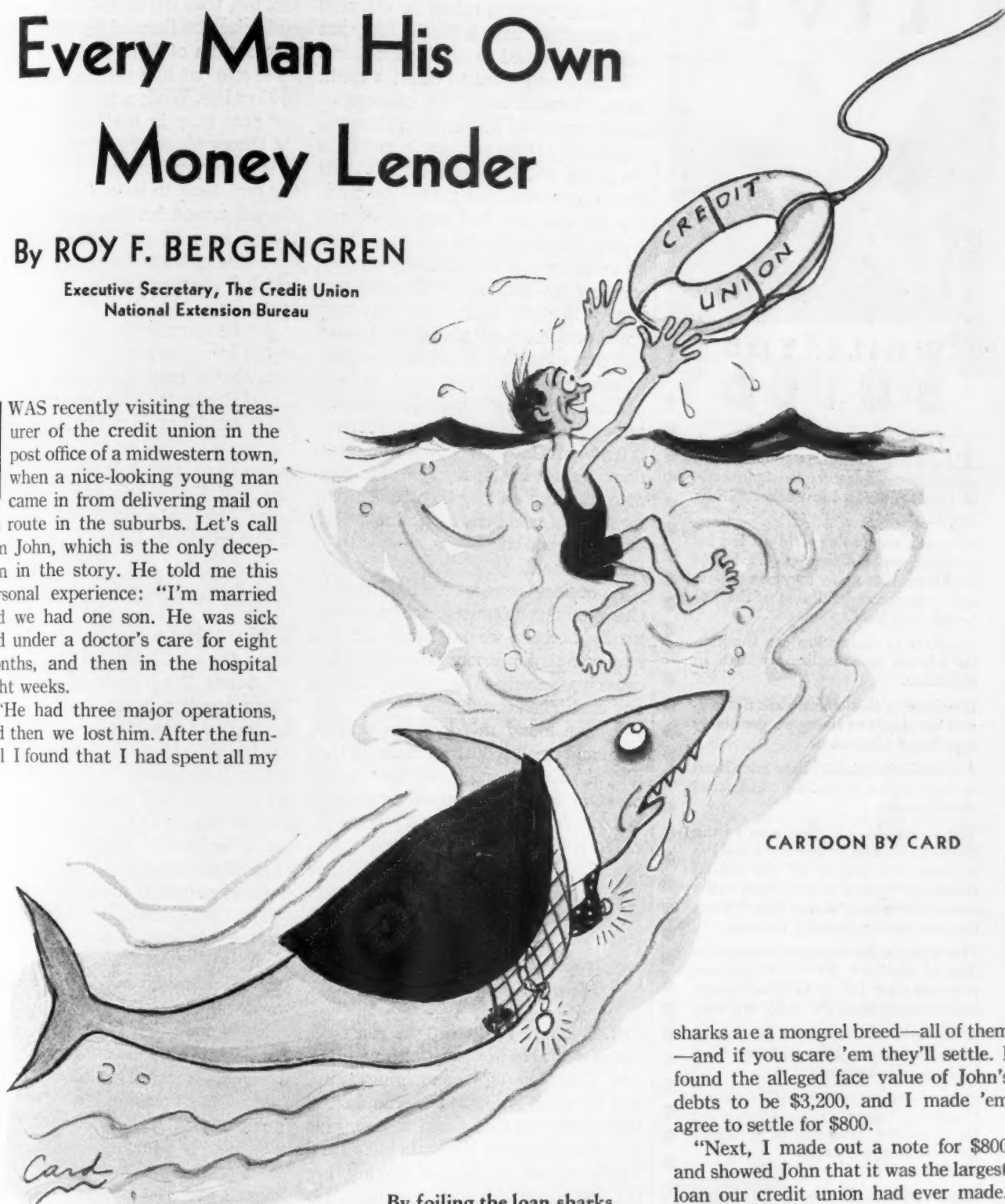
Every Man His Own Money Lender

By ROY F. BERGENGREN

Executive Secretary, The Credit Union
National Extension Bureau

I WAS recently visiting the treasurer of the credit union in the post office of a midwestern town, when a nice-looking young man came in from delivering mail on his route in the suburbs. Let's call him John, which is the only deception in the story. He told me this personal experience: "I'm married and we had one son. He was sick and under a doctor's care for eight months, and then in the hospital eight weeks.

"He had three major operations, and then we lost him. After the funeral I found that I had spent all my



CARTOON BY CARD

By foiling the loan sharks credit unions make employees happier and better citizens in every way

savings, and that I owed five loan sharks.

"I was borrowing from Peter to pay Paul; to one loan shark I was paying 42 per cent and I don't know how much to the others. It all totaled so much that, after trying for months to keep up, I reached the conclusion at last that the fight wasn't worth it. When I struck bottom, Joe (the treasurer of the credit union) heard about my troubles and took me in charge. Ask

him what he did. I tell you, mister, the credit union in this post office ain't no bank, it's a religion."

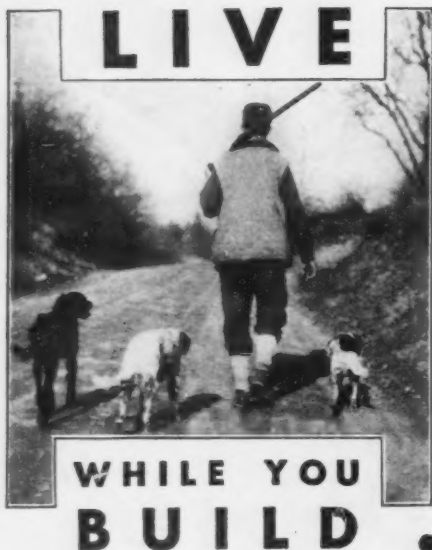
I asked Joe, and here is the rest of the story about as he told it:

"First, I visited the loan sharks, and I told the four who had been charging illegal interest where they got off. Loan

sharks are a mongrel breed—all of them—and if you scare 'em they'll settle. I found the alleged face value of John's debts to be \$3,200, and I made 'em agree to settle for \$800.

"Next, I made out a note for \$800 and showed John that it was the largest loan our credit union had ever made. I told him to see what endorsements he could get, and showed him where to put 'em. Everybody in the office knew what John had been through, and wanted to endorse. We loaned him the \$800 on 39 endorsements (all that could be accommodated on the back of the note) and the loan now is pretty nearly paid up."

This case is typical of the usefulness of the credit union. It could be multiplied by a hundred thousand examples. The story of usury in the United States is long and disturbing. It deals with



EVERY man worth the name has an aim and ambition to build a solid competence—but too many ignore the call to live a full life while fulfilling life's ambition.

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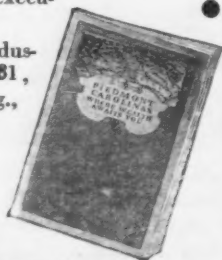
The mountains (highest east of the Rockies) beckon on one hand and the hunting and fishing of the coastal plain are only a few hours distant on the other. Close by you find golf courses that are internationally famous.

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Please address Industrial Dept., Room 181, Mercantile Bldg., Charlotte, N. C.



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stark realities and harsh consequences. The social problem raised by the need for short-term loans is for the first time being approached in a scientific spirit.

Right here I want to define a credit union. A credit union is a cooperative society organized within a specific group managed by officers chosen by and from the group, and functioning under strict state supervision and annual examination for the three-fold purpose of supplying the members of the group with an excellent system for saving money; enabling the members with their own money to solve their own short-term credit problems; and giving them sound and sure education in the management of their own savings.

I have said a credit union is a "cooperative society." The word "cooperative" is used in its technical sense. In a credit union a share has a par value of \$5 payable 25 cents on pay day and, in the meetings of members, each member has one vote—and only one vote—whatever his share holdings.

As business men, we are interested in this credit problem not solely or primarily because we are sorry for the man who pays usurious interest but because it adversely affects society as does any unchecked social evil.

I have found this loan problem in large and small industrial units, in municipal, railroad, and public-service corporation employe groups everywhere, and personnel officers have repeatedly called it their primary personnel problem. The following typical illustration was supplied by a personnel officer, whose group numbers more than 30,000 employes.

How usury hurts industry

"ED'S a fine fellow but he can't get out of debt. He works with heavy tools, and Thursday he's hammering away, but his mind is focused on one fact. A loan shark has threatened to tie up his wages on Saturday if certain payments, which he has no way of making, are not forthcoming before that time. He knows his job is in jeopardy. His mind is a thousand miles from his work trying to puzzle out how he shall pay. Then he smashes his hand, or sustains a severe fall, or does something all wrong, all because his mind isn't on his work. That happens so often that it's a real expense factor."

Usury is the perfectly normal result of a combination of two circumstances; a need for credit, generally acute, coupled with a breakdown of normal credit facilities. Usury can be eliminated by the creation of credit. It cannot be elimi-

nated by scolding the usurer. It is a fact too, that the laws of 24 states now authorize the licensed lender to charge a maximum of from three per cent to three and one-half per cent on loans of \$300 or less. While a rate of 42 per cent per year may in itself seem usurious, the theory of the 42 per cent law is that it is better to license the lender at 42 per cent than to leave this business to the unlicensed lenders, some of whom charge from 42 per cent to 3,600 per cent (the latter is the highest rate with which I have personally come in contact).

We are sorry for the individual victim of the loan shark, of course, but when loan sharks prey and grow fat on an illegal business affecting more than 3,800 employes in a single group (as happened in 1927 on one of our largest railway systems), it is time to find out, first, why loan sharks exist and second, how they may be quickly and effectively exterminated.

A loan service for the masses

THE problem is national in scope, because the credit side of banking does not reach the masses of the people. There are two reasons for that. The conduct of a small-loans business of this sort has a relatively high overhead which is the justification offered for the 42 per cent law, and accurate diagnosis of small credits of this type calls for highly specialized credit machinery. This sort of small loan business is not within the scope of normal banking business.

The credit union is not a substitute for the bank, or a competitor of the bank; it is a supplement to the banking system, bringing normal credit facilities to the masses of the people.

Its organization is within a group of people, and the closer the group organization the better. The probable explanation of the amazingly good record of credit unions in the matter of effective operation is doubtless to be found in the fact that most people are honest, coupled with the fact that members associated in a common group know each other and will not cheat each other.

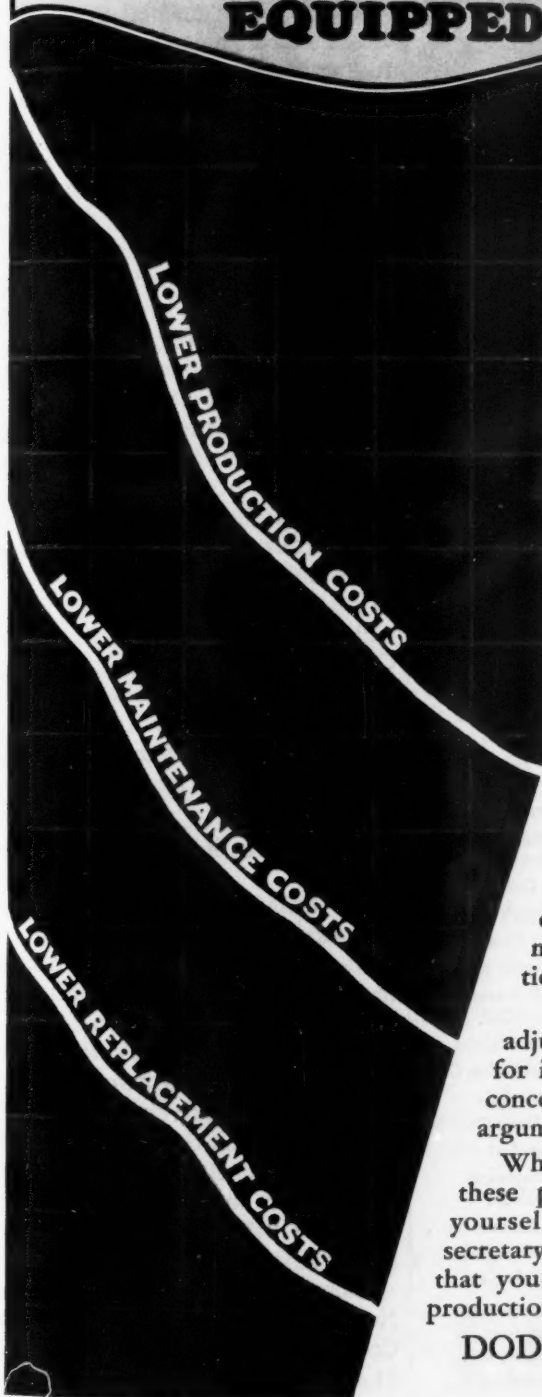
In Europe the common bond uniting credit union members is, most generally, the church parish. In the United States employes of a common employer, members of a church parish, social club, American Legion Post, fraternal society, a well defined rural section or neighborhood predominate.

Since January, 1923, for example, in cooperation with the Director of Service Relations of the Office of the Postmaster General, we have organized 203 credit

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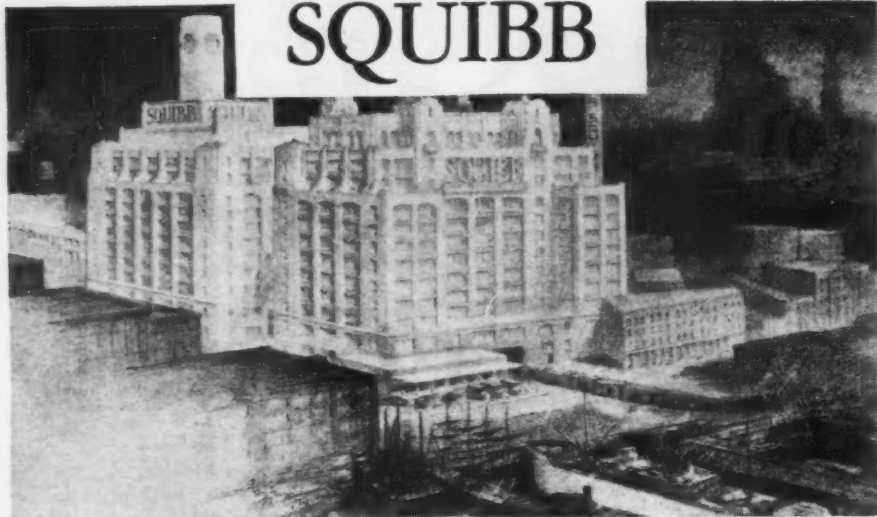
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unions in as many post offices in 32 states. The first postal credit union was organized at the Brockton, Mass., post office, and it opened with eight members and \$18.50. The most recent official report indicates that the credit unions of postal employes have already 25,397 members, and savings of \$1,770,952. So far they have made 57,055 loans aggregating \$6,329,736.

There is a fundamental difference between a credit union and banking institutions in general. All credit union operations are restricted to the membership of the given group. The money comes from the members, is used for loans to members, is managed by boards of directors and committees chosen by and from members, with all earnings reverting to members as dividends. There is no exterior, invested capital and so the problem is always very simple—how can we serve the individual member and at the same time protect the rights of all the members of the particular group to which he belongs?

The board of directors chooses from its own members the officers, including the treasurer, who manages the credit union and is bonded; a credit committee to pass on loans; and a supervisory or auditing committee, similarly chosen. Credit unions operate under state laws. In each state some state department has jurisdiction for examination and report, with authority to close a credit union that is improperly managed.

Makes it easy to save

AS a thrift agency the credit union is unexcelled for several reasons. To begin with, the plan is gauged down to the member of the group who can save the least; for example, 25 cents a week. If, however, a member can save 50 cents a week, he subscribes to two shares, saving 25 cents on each share; if a dollar a week to four shares, and so on. By the time the member's first share or shares are paid for, he has forgotten all about the word "share" and goes right on saving indefinitely and automatically.

More than 14,000 employees of the New England Telephone & Telegraph Company have saved approximately \$1,400,000 in the eight credit unions formed among the employees of this one Company. Many of these members now have individual savings accounts of \$4,000, the maximum permitted by the Massachusetts Credit Union Law. This credit union began 12 years ago with initial savings of less than \$20 and with 12 members.

Credit union accumulations are used, as indicated, primarily for loans for

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Twenty-one million buyers demand and deserve to be served promptly and economically. They buy in volume. They are prosperous. So diversified are their activities that always a large number of them can buy and pay for what they buy. To Kansas City they naturally turn as a source of supply for practically every necessity and luxury.

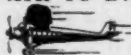
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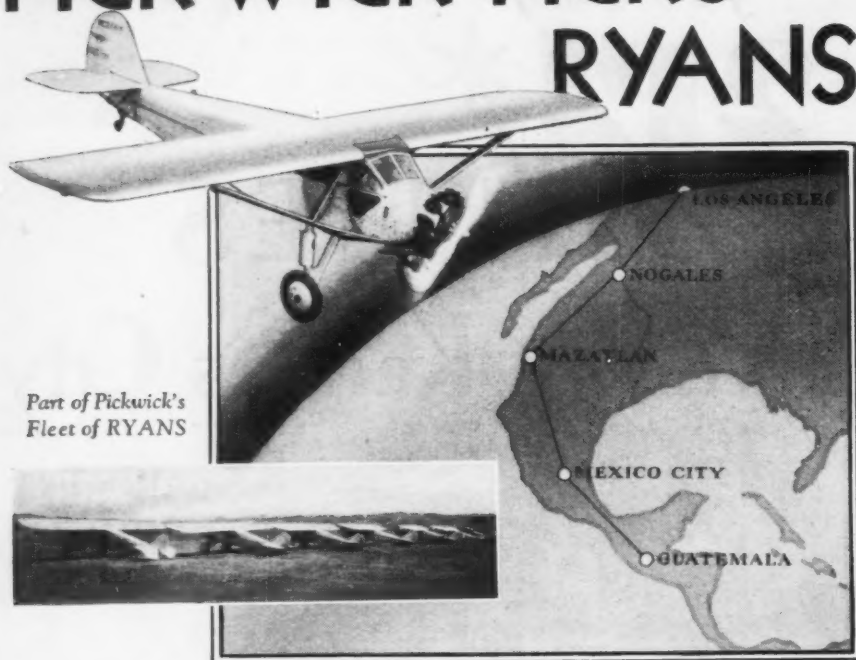
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A fleet of seven B-5 Ryans is now carrying mail, express and passengers on regular runs over the first airline to operate on the west coast of Mexico and Central America.

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The new Ryan Brougham, with its 300 horsepower Wright J6 Whirlwind motor installed with proper relation to the ship's design, is making new performance and reliability records in the hands of owners everywhere. It takes-off in 275 feet and in 8 seconds' time, climbs 1200 feet per minute—and lands in a 200-foot circle. It has a cruising speed of 120 miles per hour—and a cruising range of 700 miles.

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provident or productive purposes. A "provident purpose" has been interpreted to mean a purpose which promises to be of real benefit to the borrower. The purpose of the loan must always be set forth in the application.

While the laws of 24 states, as I have said, now recognize the problem to the extent of legalizing rates by private lenders varying from 36 per cent to 42 per cent on the supposition that this is the lowest rate at which the private lender can operate at a fair profit, credit unions never charge more than one per cent a month on monthly balances and generally operate at lower rates than this. Further, all earnings except 20 per cent set aside annually as its reserve, revert to the members as dividends.

It has now been amply demonstrated by much credit-union experience that the short-term credit problem of the worker and small farmer can be solved by cooperative credit.

This is easily explained. There is in a credit union no exterior invested capital to worry about; group loyalty helps in the protection of loans and accurate credit diagnosis; the overhead cost of credit-union operation is low. The universality of the credit union is eventually inevitable because of the universality of the problem which the credit union is prepared to solve.

An Americanizing influence

FINALLY the credit union has substantial educational value. With more than 80 years of developing experience in various countries of Europe, 20 years in Massachusetts, and a development now in progress in 32 states, it is far beyond the experimental stage. J. Philip Bird, president of the New Jersey Manufacturers Association, has appraised the credit union as "the greatest Americanization process."

If there is value in eliminating a great social evil, if there is value in opening new vistas of opportunity for workers in America, if it is good in a republic to educate the masses of the people in the management of their own savings, then the credit union is in fact a contribution to further the common hope and aspiration of employer and employee.

It has become increasingly apparent that good citizens cannot be made of people harassed with debt and pursued by loan sharks. Our national progress is in a fair measure proportionate to the development of average happiness, average opportunity, and an average square deal. The credit union has demonstrated its usefulness in raising those averages higher and higher.

Journeys That Made History

MOST of us find a mental tonic in travel. Some pick up ideas so stimulating that they deserve to be called "inspirations."

A classic instance is John Calvin. Bound for Strassbourg he stopped at Geneva, intending to spend only one night there. But an evangelist he met that evening "found and held him." Calvin dedicated himself to a new cause; and, battling for it, he remained in Geneva the rest of his life.

Lives similarly transformed by travel are numerous in the hall of fame of American business. Here are a few conspicuous cases.

Two sons of a farmer from Basking Ridge, N. J., set forth in the summer of 1886 to see the West. The unpalatable food served in restaurants where they ate on their travels impressed them. They resolved to open a "store" of their own which would be scrupulously clean and serve more appetizing food. Thus began the Childs Restaurants.

When cameras were clumsy

AT THE age of 24 a Rochester, N. Y., youth planned to start on his first vacation. As part of his preparations he bought a camera. Its mechanism was complex; the photographic plates were as difficult to handle as the black box.

So George Eastman got absorbed in trying to improve these operations. He chose a shorter trip for his holiday, and spent most of his vacation experimenting. As one curious outcome of his labors the trade name "kodak" eventually forced its way into our dictionaries.

Young Irving T. Bush, on the eve of choosing a career, went on a two year voyage around the world in his father's yacht. His eyes were as alert as his brain. Thus he got to thinking about the needless labor he watched in every port. Cargoes came ashore on lighters, were transferred to the docks, then hauled to warehouses, and finally dragged from the warehouses to factories.

Why, he demanded, not try to economize time, labor and expense: why not create an efficient model city combining docks, railway terminals, warehouses and factories, all grouped in convenient proximity or even "all under one roof?" And from that idea evolved what now are known as the Bush Terminals.

—CHALRES PHELPS CUSHING



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Will Hays Made the Sun Shine

(Continued from page 46)

that something must be done. Nine companies formed the Motion Picture Producers and Distributors of America and called Hays, then Postmaster General, to be its head.

Of course they knew that he was the national chairman of the Republican party, that politics had been his meat and drink ever since as a boy of 16 he saw William McKinley nominated, that he is on Jim and Joe terms with the other topnotch politicians. They probably thought he could protect their darling from the power of The Dog. They seem to have thought with considerable accuracy, too. Not many legislative bites have been taken out of the lovely leg of the heroine since Hays began to draw his \$100,000 a year. But they did not at all see wherein his principal value would lie.

He keeps a Main Street mind

FOR Will H. Hays thinks along small-town lines. He thinks that way deliberately. When he stops thinking that way much of his power will have departed from him. In Sullivan, Ind., the blacksmith was a leading citizen when Hays was a boy. Judges listened to the blacksmith with respect.

The reverence paid to character was never confused with the respect given to wealth. And in the long run the ideals and aspirations of the men and women of the small town, whether that small town be set in Indiana or on a back street in a great city, are the ideals and aspirations of the whole land. My conviction that the movie men did not see this at all is supported by Hays' own words:

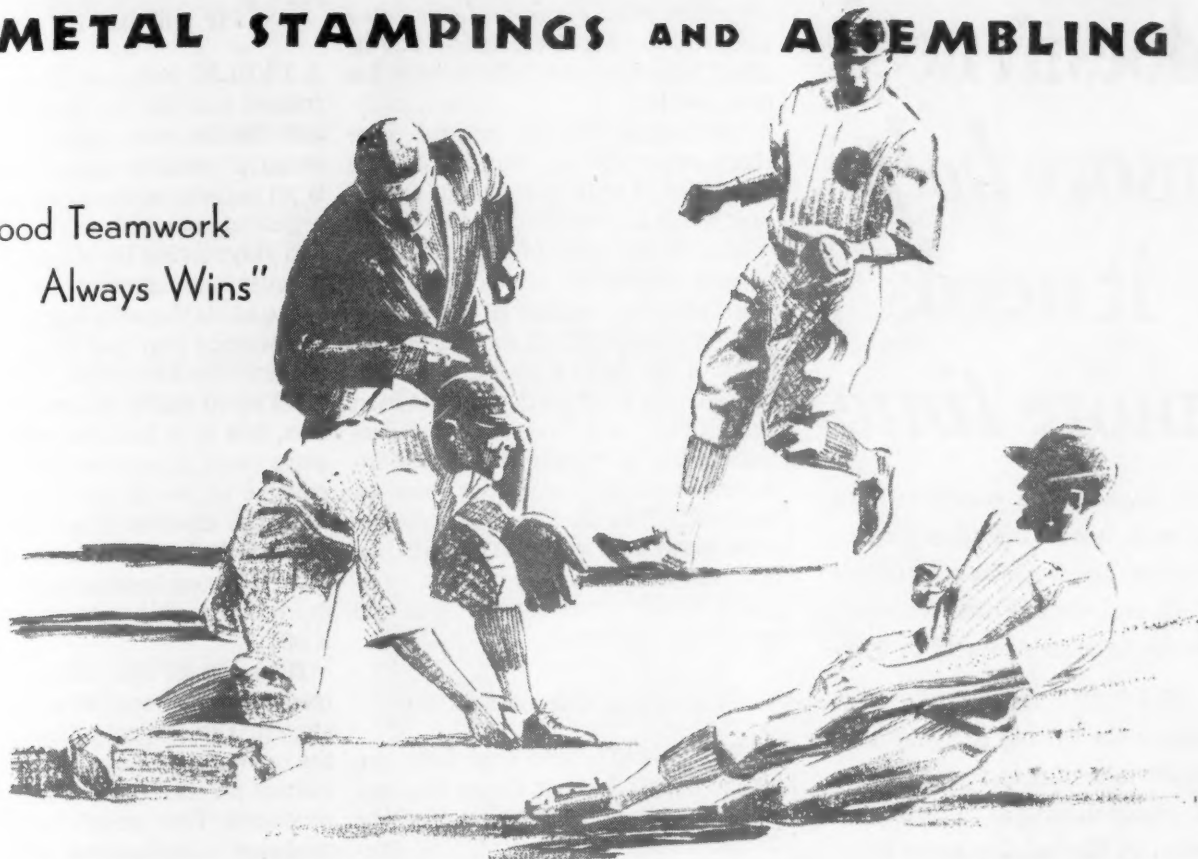
"When the heads of the motion-picture industry came to me," he said, "and asked me to undertake the work, I was frankly puzzled. I had no knowledge of the film industry. They indicated that I might be useful as an 'organizer' and a 'harmonizer' and because they wanted some one who knew something about distribution and I was the head of the 'largest distributing organization in the country.'"

He harmonized the producers, of course. Hays believes in arbitration rather than litigation. There are innumerable opportunities for quarreling in the film business. Now there are 32 arbitration boards which pass upon disputes over the entire country. In 1922,

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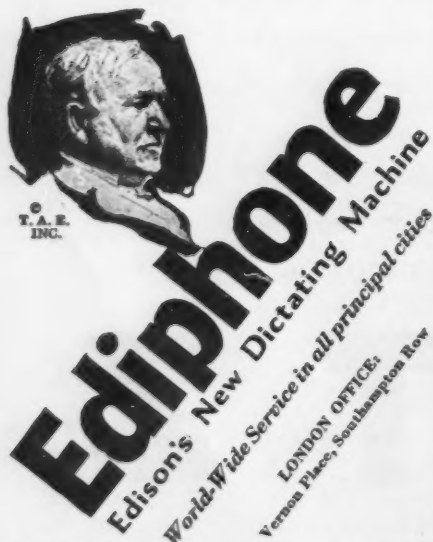
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the year before arbitration became a principle, there were more than 4,000 suits brought in the industry. As Hays says:

"The producer with \$10,000,000 worth of orders on his books did not know whether they might result in five or six million dollars' worth of completed transactions. With rare good luck he might hope for seven millions out of his promised ten.

"Arbitration literally rescued from chaos and at the very least trebled the possibility of swift and helpful expansion in the industry."

Here is the proof of it. In the five years of arbitration the boards have disposed of 73,652 contractual disputes involving \$17,724,380. A motion picture is one of the most perishable commodities on earth. If arbitration had not been resorted to "bad feelings, bad collections, drags of every sort upon the industry would have made our situation intolerable." In the five years only five cases found their way into court before arbitration. A court award was compelled in only a small fraction of one per cent of the cases.

A growing tide of hostility

HARMONIZING and organizing are fine, of course, but our deeper thinkers consider it advisable to have something to harmonize and organize. The ten-cent public was going to the movies, all right. This is no slam at the ten-centers. Many an honest heart beats behind 15 cents in the vest pockets. But if my memory serves me right the movies were tending toward a ten-cent moral level eight years ago. The quiet, conservative, self-respecting element in the community was sniffing at them. The churches and civic organizations were turning hostile. Hays saw this.

People who do not like Will Hays (and there are people who sit by the roadside and ululate when they hear his name) say that he put over a fast one on the churches. The suggestion is that this master politician, brandishing his certificate as a church officer, rushed in on 60 national organizations interested in morals and good citizenship and gave them lunches and good, strong talks about service and that immediately the organizations began to nuzzle for peanuts in the palm of his hand.

Well, maybe he did. Hays can conduct his own defense.

But it seems obvious to me that the interests of both sides jumped together. The organizations wanted decent films. Films that the boys and girls and mothers and wives could see without

getting flustered and red. Hays wanted to find out just what was wanted on the films, or was not wanted on the films, so that the sniping from church windows might cease, so that the box-office reports would again show progress.

He still has his critics

A PUBLIC Relations Committee was created and one by one the objectionable factors were isolated and eliminated. It must be admitted that there is an element in these church and civic organizations which still maintains that Mr. Hays fooled his collaborators. Just recently one editor of a church organ spoke of his "ham-stringing" the public and warned him that if the movies do not brace up a censorship is on the way.

I'll plead guilty to a moderate thickness, but it is hard to see what more Hays could have done. After all, it is possible to purify water until one can taste the chlorine. Then one does not drink it. And Hays is only Czar by consent. If he gets to wearing his crown too much on one side some one may knock it off.

Hays has no real authority. He is a moderator, as would be said in his own church. The original nine companies in the organization have grown to 27 and include practically all of the important producers. That growth has been in accordance with business principles, of course. If membership had not been a paying proposition the Motion Picture Producers and Distributors of America would have faded out. Membership has paid primarily because Broadway knows now what they want in Sullivan, Ind., and the film salable in Sullivan is acceptable in Exeter, England. The most that Hays can do is to show 'em. But after a business man has been successfully shown a few times he is apt to take orders from the man who does the showing. That's Hays' position today. He has no authority to give orders, but I'm guessing that he gives 'em. And that what he says goes.

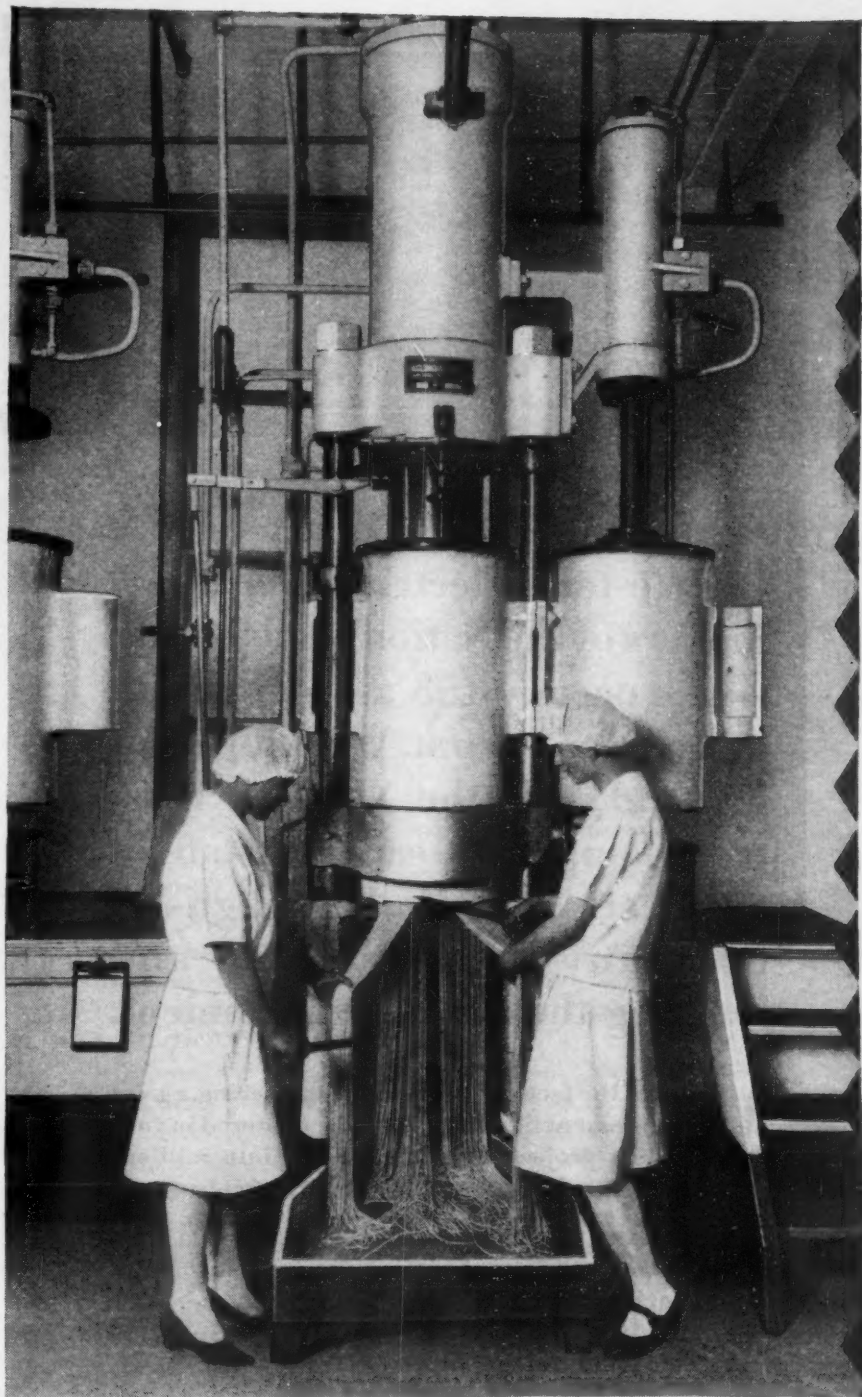
Little by little, standards have been worked out. Eleven themes are now absolutely forbidden. Twenty-six other subjects are accepted as occasional dramatic necessities but the producers have agreed that they shall be handled with the greatest care. In the years following the war, books and plays became popular in which topics formerly deprecated even in the locker room have been used. These have not infrequently been the best sellers and have had good runs on Broadway. By the agreed formula, books and plays which are considered offensive may not be

White Paint Pays H. J. Heinz Co.

The visitor is welcome. H. J. Heinz Co. and other progressive firms throw their doors open to him. They want him to see plant, machinery, raw materials, finished product. They want to gain his good will by satisfying his curiosity: They use this basic form of advertising, because it pays to create confidence.

White paint—permanently white because of Zinc Oxide and "Albalith" Lithopone mixed with proper vehicles—on the walls, ceiling and machinery in your plant is an important factor in this phase of manufacturing. Clean, cheery, durable, light—and highly light reflectant—it is an asset to your plant, management, workmen; and, last but not least, your visitor.

The zinc pigments, Zinc Oxide and "Albalith" Lithopone manufactured by The New Jersey Zinc Company are widely used for such paints.

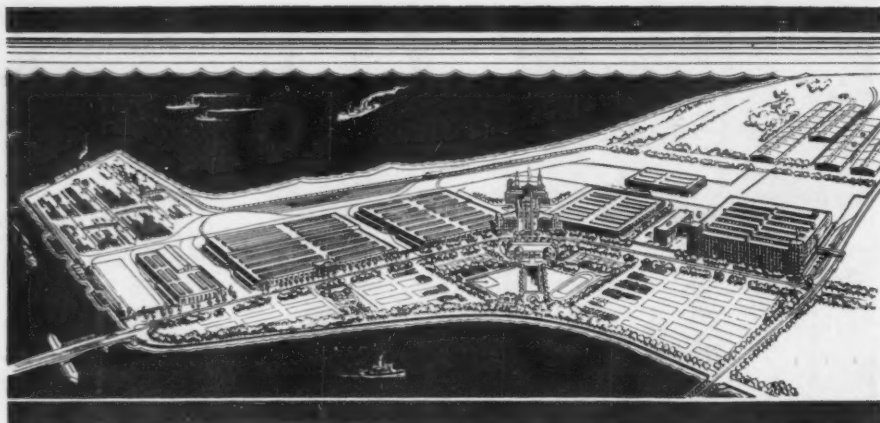


Your plant may need paint. We will gladly give our interpretation of the value of these paints to you if you will write The New Jersey Zinc Company, 160 Front Street, New York City.

**The New Jersey Zinc Co's.
Zinc Oxide and
"Albalith" Lithopone**

ZINC PIGMENTS IN PAINT

When writing to THE NEW JERSEY ZINC COMPANY please mention Nation's Business



THIS great new plant of the Western Electric Company—makers of the Nation's telephones—will occupy 153 acres on Baltimore's water front. Working hand in hand with the Western Electric Company's capable staff of engineers The H. K. Ferguson Company is engineering and building the initial development.

MANY of the factors involved in engineering a great development like this will be encountered in your own building project, whether it runs into millions or whether the investment is comparatively small.

No matter what your requirements may be—a complete new plant in a new location, or a modest addition to your present facilities—you will find very definite advantages in dealing with one responsible organization capable of handling the entire job from start to finish.

Because Ferguson service is both complete and dependable many of America's great industrial concerns repeatedly place their entire engineering and construction programs in Ferguson hands.

If you are interested in building and building problems, the Ferguson "Cross Section" . . . published monthly—should be of real interest to you. This month, an article deals with the choice of window glass or factories. A request on your letterhead will bring this publication to you gratis.

THE H. K. FERGUSON COMPANY
Hanna Building Phone: CHerry 5870 Cleveland, Ohio

Ferguson
—ENGINEERS—

NEW YORK • PITTSBURGH • DETROIT • BIRMINGHAM • TOKIO, JAPAN

When writing to THE H. K. FERGUSON COMPANY please mention Nation's Business

used under the original title, nor may the original plot be used, nor may any use be made in advertising of the nasty notoriety originally gained.

The Department of Public Relations which has been established inside the industry, taking the place of the earlier Public Relations Committee, has enforced these rules. By consent, of course. Any producer may twiddle his fingers at the orders he gets. But his fingers would soon tingle. In the past season advice was given which kept 101 pictures from reaching an emotional boiling point. The pictures proved successful and hardly a serious criticism was received. The experts on film morality and ethics and good taste advised in certain sequences of 504 other pictures with similarly good results.

Film footage and business

IT ISN'T possible and perhaps it is relatively unimportant to estimate the effect of the movies on commercial developments in America and the world. One striking bit of testimony is offered by our own Department of Commerce. The Department estimates that for every foot of film exported a dollar's worth of business is done by American merchants.

Last year 232,000,000 feet were sent across the seas. These films sell motor cars, collars, sewing machines, and silk stockings to those who would have been content to get along without them. The demand that American films be restricted abroad—the so-called quota plan—has its origin right here. Sir Philip Cunliffe-Lister, president of the Board of Trade in England, did not beat about the bush when he introduced a restrictive measure in Parliament. He said:

"The cinema is the greatest advertising power in the world. A complete change is coming over the demands for commodities in dozens of countries, and in many instances this can be traced directly to the film."

The tremendous improvement in our own standards of living is in part chargeable to the same cause. Hays noted that a few years ago a boy from the backwoods would feel like a fish out of water when he walked down Broadway. Now that boy is quite at home. He wears the same clothes and understands the same talk. So does his sister.

Case submitted. The movies were here when Hays took hold. Of course they were. They were here to stay. But as for the guidance that made the wild young hussy of eight years ago what she is today—

If Hays didn't furnish it, who did?

Northwest Passage By Submarine

By JOHN L. COONTZ

THAT commerce may some day utilize the Northwest Passage—a long cherished dream—is the possibility contained in the proposed negotiation in a submarine of the north polar sea by Sir Hubert Wilkins, noted British explorer.

Sir Hubert is laying his plans for his subpolar cruise for next summer. He would leave Spitzbergen about July 1 and arrive at Point Barrow by way of the North Pole 30 days later. The commercial significance of the cruise lies in the fact that if Captain Wilkins can successfully negotiate the ice of the arctic in a submarine, the Northwest Passage can be negotiated in that manner also.

This would mean in time its utilization for commerce, a dream more than 300 years old.

Long sought trade route

THE opening of the Northwest Passage would bring the East and West together in trade without the use of the Panama or the Suez canals.

It would open to commerce a territory more than 3,000,000 square miles in extent by use of rivers that empty into the Arctic Sea and drain northern Russia and Siberia.

This portion of that great nation is rich in natural resources and has great potential agricultural possibilities. At the mouths of the natural tributaries of this land would be established ports of debarkation and arrival.

The opening of the Northwest Passage would be of immense commercial value to England in that raw products from northern Canada could be delivered to home ports 5 months out of the year.

To make his submarine effective in the iced area of the North, Captain Wilkins has had built an icebreaker top, running from conning tower to nose, capable of shearing, under submarine motor power, ice two feet thick. Also the submarine is equipped with bombs, of smaller explosive power than depth bombs, which by an ingenious arrangement can be laid under the ice, making it possible to blast a pathway to open water, if none appears and it becomes necessary.

Organize Your Figure Work for High Speed Production

Progressive, forward looking offices are doing it. They have found it both practicable and profitable.

SIMPLY let centralized supervision, analysis of routines and discriminating knowledge of machines do for production in the office what they have done for production in the factory.

One of the effects of centralized supervision over accounting naturally would be more systematic selection of figuring machine equipment—selection based on no one's "think so," but on the definite business like basis of measured production.

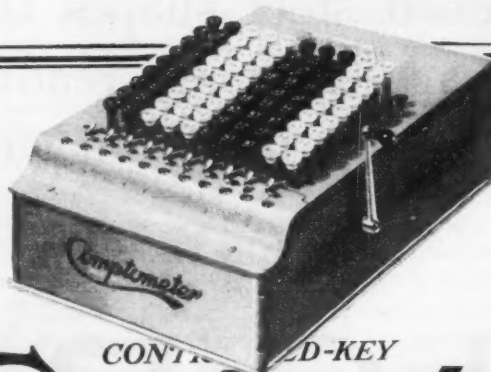
Production gives an accurate line on machine performance, about which there can be no question. It is an infallible test, and is easily made.

There should be no objection to such a test on the part of any machine. *Surely, the Comptometer offers none.*

Not only has the Comptometer speed to spare, but through its chain of training schools it is in position to supply high speed operators, without charge, to users of the machine.

Test before you invest.

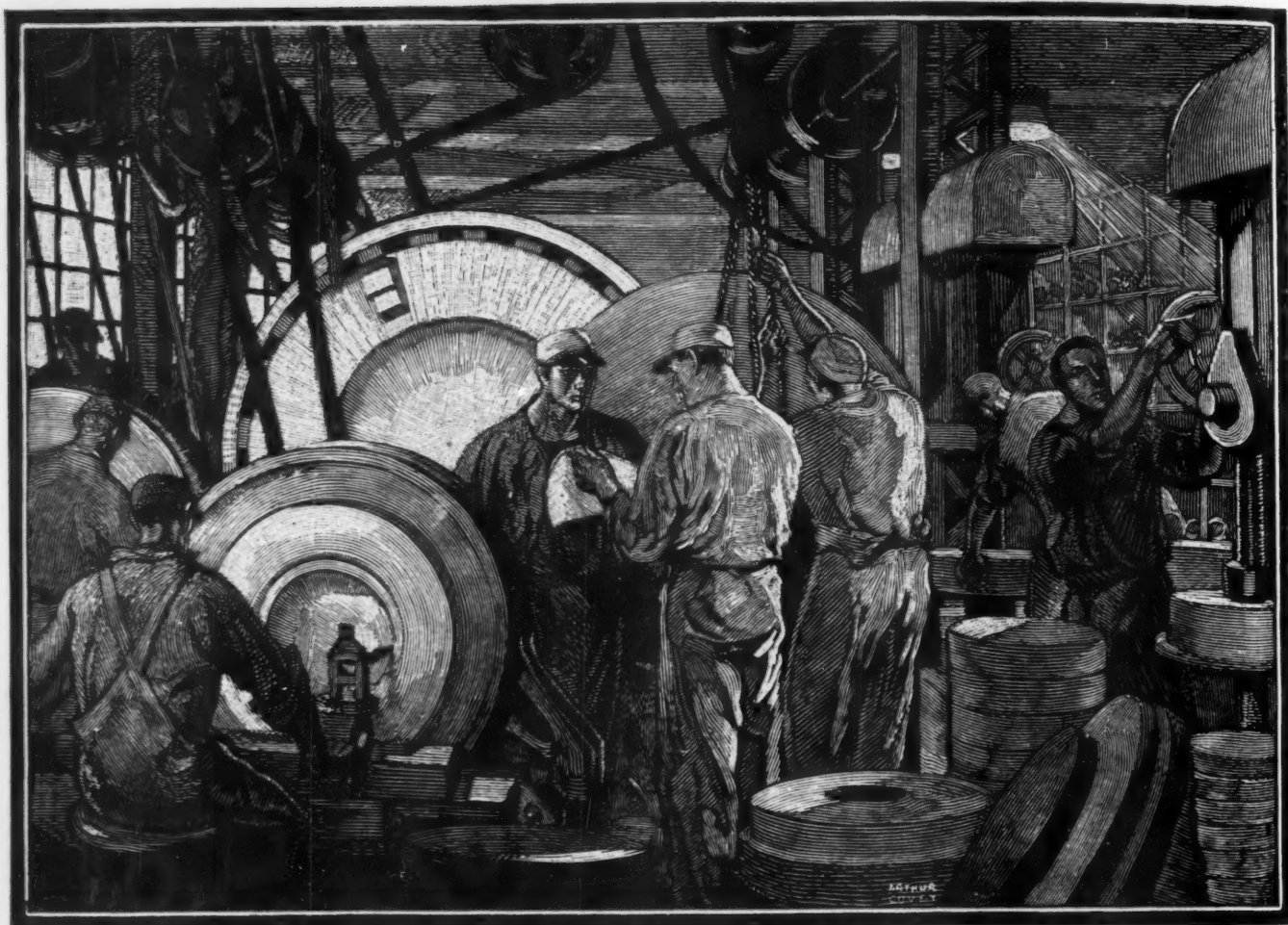
FELT & TARRANT MFG. CO.
1712 N. Paulina St., Chicago, Ill.



*If not
made by
Felt & Tarrant
it's not a
Comptometer*

*Only the
Comptometer
has the
Controlled-Key
safeguard*

CONTROLLED-KEY
Comptometer
REG. TRADE MARK
ADDING AND CALCULATING MACHINE



Mural by Arthur Cossey. Wood block engraving by Howard McCormick

MILLIONS of gems, precious stones—tiny cutting tools chemically like the ruby and the sapphire—bonded together to form a Norton Grinding Wheel. The point of a diamond or a tool of hardened steel shapes them to accurate dimensions and they are ready to serve the world in its strife for precision with rapid production.

NORTON COMPANY, WORCESTER, MASS.

NORTON

Grinding Wheels
Grinding Machines



Refractories-Floor
and Stair Tiles

A Chamber Booster of 1783

By E. PENDLETON HERRING

A **N**AMERICAN prophet, unappreciated as prophets usually are in their own country, recommended more than a century and a half ago that the National Government avail itself of the services of a national chamber of commerce. But his remarks went totally unheeded. It thus often happens with even the best of prophets. Were this man alive today he might well say "I told you so" and point to the Chamber of Commerce of the United States.

The story begins in 1783 in a printing establishment in Philadelphia. At this time and place there was published a modest little pamphlet of some 30 pages, heralded with this title page:

A
DISSERTATION
ON THE
POLITICAL UNION
AND
CONSTITUTION
OF THE
THIRTEEN UNITED STATES
OF
NORTH AMERICA

*Which is necessary to their Preservation
and Happiness, humbly offered to
the public
By a Citizen of Philadelphia*

The booklet was printed and sold by T. Bradford, in Front Street, three doors below the Coffee House.

It is startling to turn the pages of this leaflet, brittle and yellow with age, and to encounter, in the fading words, suggestions that are being partially and slowly realized today. Here is envisaged a contact between business and government such as the Chamber of Commerce is developing in Washington at present. Here also are set forth recommendations as to principles and procedure that are now part of the Constitution of the United States. The author of this remarkable book is Pelatiah Webster.

An unsung prophet

THIS CURIOUS old name is hardly a household word. Noah and Daniel are known to fame but Pelatiah is known to few. Yet there are some who think him worthy to go down in history with Ham-

ilton, Madison, Sherman, Ellsworth and Pinckney as one of those largely responsible for developing the ideas contained in the Constitution of the United States. Attempts have been made to set Webster forward as the "architect of the Constitution." Petitions have been presented to Congress calling attention to his services to the country.

Pelatiah exerted his influence during the "critical period" of American history, those six years from the close of the Revolution to the framing of the Constitution. The government such as it was, was carried on under the Articles of Confederation.

"A nation without a national government is an awful spectacle," said Hamilton. People were coming to agree with him.

Pelatiah was discontented

THERE WAS a general discontent with things as they were and slowly dawning realization that conditions might be bettered if men took thought. Pelatiah was one of the discontented. There were others, but certainly old Webster was one of the first to put pen to paper and state his scheme for a workable government. We can thank him for a tentative Constitution.

Whether his ideas actually bore fruit is a question over which historians are not in entire agreement. The better opinion seems to be that they did not. Max Farrand, the authority on the constitutional convention, says there is not a scrap of evidence that Webster's dissertation directly influenced a single member of the convention. Hannis Taylor, the chief proponent of Webster, says this pamphlet was the direct source of the Constitution; that Pelatiah was the original architect and inventor of the fundamental principles upon which that document is based. With the merits of this discussion we are not concerned.

It is of interest to note, however, that this first systematic statement as to the possible form the Federal Government might take, sets forth this project for the official recognition of a national chamber of commerce acting in an advisory capacity to the Congress.

How does Webster develop this idea

and how does he support his recommendation? In the first place he takes up the legislative body, discusses its composition and its work and concludes that one of the first essentials to its proper functioning is adequate information. Some of this necessary data on legislative matters the secretaries of the various administrative departments can supply but there is much information on matters of trade and commerce that may be gotten directly from the man of business.

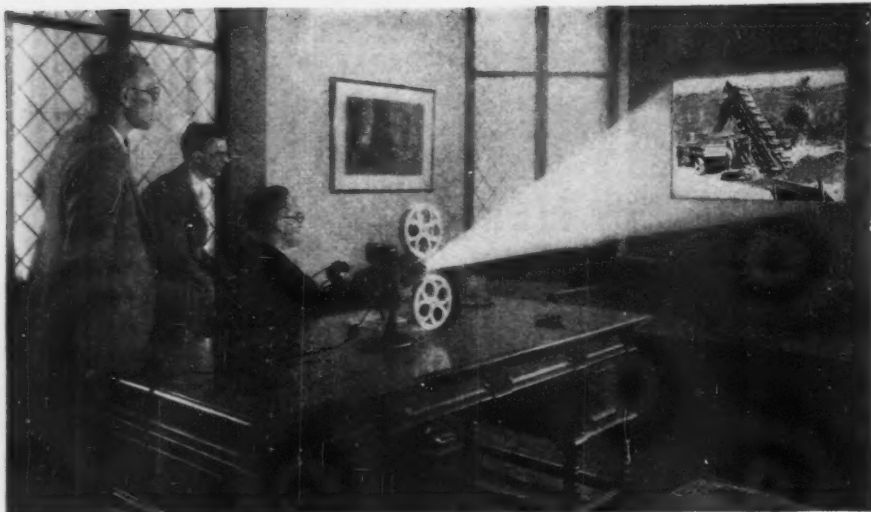
There is a curiously modern ring to the words of this old Pelatiah.

"There is another body of men among us," he states, "whose business of life, and whose full and extensive intelligence, foreign and domestic, naturally make them more perfectly acquainted with the sources of our wealth, and whose particular interests are more intimately and necessarily connected with the general prosperity of the country than any other order of men in the States. I mean the Merchants, and I could wish that Congress might have the benefit of that extensive and important information, which this body of men are very capable of laying before them."

Trade is necessary

"TRADE is of such essential importance to our interests, and so intimately connected with all our staples, great and small, that no sources of our wealth can flourish, and operate to the general benefit of the community without it. Our husbandry, that grand staple of our country, can never exceed our home consumption without this. It is plain at first sight, that the farmer will not toil and sweat through the year to raise great plenty of the produce of the soil, if there is no market for his produce, when he has it ready for sale, i.e., if there are no merchants to buy it."

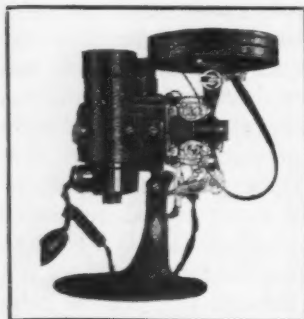
"In like manner, the manufacturer will not lay out his business on any large scale, if there is no merchant to buy his fabrics when he has finished them; a vent is of the most essential importance to every manufacturing country—the merchants, therefore, become the natural negotiators of the



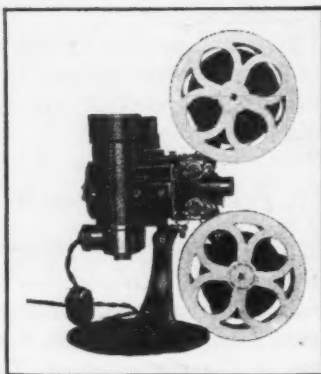
Prove it with a FILMO PROJECTOR

A skeptical prospect . . . and a difficult sales point to make — that's the kind of a job Filmo likes to tackle! Just press the button. If your prospect won't believe his ears, he'll have to believe his eyes . . . and that supersalesman, the Filmo 57-C Business Projector, does a selling job impossible to parallel by ordinary means.

Light in weight, easy to carry about, quickly set in operation, Filmo Business Projector is the finest obtainable mechanism for putting your sales story on the screen . . . in action. Your personnel department, your public relations department . . .



Filmo Continuous Projector
Filmo continuous projection attachment installed on regular Filmo projector. Fully automatic Reels accommodate up to 150 ft. of 16 mm. film.



Filmo Business Projector
Filmo 57-C Projector for business use. 250 watt 5 ampere lamp, variable resistance and voltmeter, 45/50 condenser, 110 volt A. C. or D. C. Weight 9½ lbs.

any part of your business with a story to tell . . . can do it better with Filmo.

For continuous operation, the Filmo 57-X projector attachment will bring the crowds to your show windows or your display booth as no other kind of display can bring them. Attached in a moment to the regular Filmo projector, it operates silently and efficiently, without the slightest need of attention.

Write for literature and the leaflet "Filmo Projectors for Business Use."

BELL & HOWELL

Filmo

BELL & HOWELL CO., DEPT. J, 1812 LARCHMONT AVENUE, CHICAGO, ILL.
NEW YORK • HOLLYWOOD • LONDON • (B. & H. CO., LTD.) ESTABLISHED 1907

When writing to BELL & HOWELL please mention Nation's Business

wealth of the country, who take off the abundance, and supply the wants of the inhabitants.

"As this negotiation is the business of their lives and the source of their own wealth, they of course become better acquainted with both our abundance and wants and are more interested in finding and improving the best vent for the one, and supply of the other than any other men among us. They have a natural interest in making both the purchase and supply as convenient to their customers as possible, that they may secure their custom, and thereby increase their own business.

"It follows then, that the merchants are not only qualified to give the fullest and most important information to our supreme legislature, concerning the state of our trade—the abundance and wants,—the wealth and poverty, of our people—their most important interest—but are also the most likely to do it fairly and truly, and to forward with their influence, every measure which will operate to the convenience and benefit of our commerce."

History supports him

WEBSTER THEN points to the power and prosperity of Venice and Holland when these states were ruled by the business men of their age. They withstood the attacks of their enemies; their cities were the marts of trade for Europe; the banks the best supported and of the soundest credit. He deems men engaged in trade in a better position to judge what is good for the prosperity of the country than any other class in the community.

He here reaches the climax of his argument and recommends:

"I therefore humbly propose, if the merchants in the several states are disposed to send delegates from their body to meet and attend the setting of Congress, that they shall be permitted to form a chamber of commerce, and their advice to Congress be demanded and admitted concerning all bills before Congress as far as the same may affect the trade of the states."

In nongovernmental nonofficial capacity the Chamber of Commerce fulfills its role as described by Webster. It is the voice of organized business in perhaps a fuller sense than Pelatiah anticipated. That there should be such an organization, this old patriot is fully convinced.

In further elaboration of this argument Webster goes on to describe Congress as the "upper servants" of the political body who are to determine poli-

cies after study and inquiry and who must therefore, have available the best possible sources for information. For this purpose Webster considers the advice of Business of great significance.

Moreover, the "concurrence and advice" of this class is of the "utmost consequence" when it comes to fixing the taxes. The cooperation of the business men in matters of taxation means, moreover, that their weight and influence will be exerted upon the people generally and will bring them to the support of the Government.

It was a thorough-going economic council that Pelatiah advocated and he expected great things of it.

This chamber of commerce Webster states "will give dignity, uniformity, and safety to our trade, establish the credit of the bank, secure the confidence of foreign merchants, prove in very many instances a fruitful source of improvement of our staples and mutual intercourse, correct many abuses, pacify discontents, unite us in our interests, and thereby cement the general union of the whole Commonwealth; will relieve Congress from the pain and trouble of deciding many intricate questions of trade which it does not understand, by referring them over to this chamber, where they will be discussed by an order of men, the most competent to the business of any that can be found, and most likely to give a decision that shall be just, useful and satisfactory."

Scheme is possible

SUCH a thorough going council to advise the Government on economic matters has not of course been developed in this country. Its creation might well be considered within the range of possibility or even of desirability. The governments of many European countries have recognized that there are questions affecting the economic life of the nation that would be greatly clarified by the counsel that can only be supplied by the organized economic forces.

Hence chambers of commerce, trade associations, professional societies, labor unions and farmers' organizations are provided as official channels through which to convey to the Government opinion upon legislative problems. What has been accomplished in this country has not come about through statutory or legal enactment of any kind but through an evolutionary process that took place as the needs of the day suggested. Through the Chamber of Commerce of the United States it has come surprisingly close to the plan of Pelatiah Webster.

Now....it's time to Know-



Sylphon

TRADE MARK

DAMPER REGULATORS

Home Heating Cares Draw Near!

Fortunate are the families which know the comforts of Sylphon Damper Regulation,—its reduction of fuel consumption and freedom from cares. Thousands upon thousands do!

Sixteen years ago, the Sylphon Damper Regulator,—one of the many practical applications of the famous all-metal Sylphon Bellows, first provided efficient automatic checking and increasing of drafts in proportion to steam pressure or water temperature.

Today it is Standard equipment on 34 of the nation's leading makes of boilers, certainly a strong testimonial to its scientific action, and wear proof construction,—no rubber to rot, no solder to break.

A Sylphon Damper Regulator automatically and positively maintains the house temperature at the desired point without attention or repairs. It prevents excessive heat in the fire box, and premature burning out of grates. It actually prolongs the life of the boiler many years.



Sylphon Damper Regulator No. 23—for Low Pressure Steam Boilers



The genuine Sylphon Bellows is the diaphragm of every Sylphon instrument. Drawn and formed seamless from a sheet of specially prepared metal, it is the most flexible, durable and sensitive expansion unit known.

Standard Equipment On These Boilers

Abendroth-York	Kewanee
Novelty	Kensington-Davis Corp.
Ames	Heggie-Simplex
Birchfield	Kelly System
B-Line	National
Burnham	Orr & Semberow
Lansdale	Oil City
Coil	Putnam
Freed	Pierce-Pebco
Ross	Peerless
Floral City	Richardson
Fitzgibbons-Ontario	Richmond Radiator Co.
Columbia Radiator Co.	Westcoast
The Galva	Thatcher
Hart & Crouse	Weil-McLain Co.
Economy	Capitol
Kainer System	Pacific Boiler Co.

What Kind of Damper Regulator Have You?

There is a type of Sylphon Damper Regulator for every Steam, Hot Water or Vapor Heating System and one may be easily installed on an old heating system with positive assurance of satisfactory results. We will gladly send complete details.

WRITE DEPARTMENT N

FULTON SYLPHON Co.

KNOXVILLE, TENN., U.S.A.

Representatives in all Principal Cities in U. S. A.—European Representatives, Crosby Valve & Eng. Company, Ltd., 41-2 Foley St., London, W. I., England—Canadian Representatives, Darling Bros., Ltd., 140 Prince St., Montreal, Que., Canada

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Wherever
you
may travel
Ætna
protection
goes
with you

ÆTNA-IZE

See the Ætna-izer in your community. He is a man worth knowing.

The Ætna Life Insurance Company ~ The Ætna Casualty and Surety Company ~ The Automobile Insurance Company ~ The Standard Fire Insurance Company of Hartford, Connecticut, write practically every form of Insurance and Bonding Protection.



When writing please mention Nation's Business

How the Chain Store Helps the Independent

(Continued from page 19)

with the chain store; it does mean that value for value, they learn to price their goods on a basis of equable mark-up depending on quick turnover for large profits—and *equable mark-up is one of the best ways of getting business, whether for chain stores or independents.*

So, in a sense, the chain store is a school for merchandising which the independent may attend without charge.

Indiscriminate copying, as most of us realize, is not good business. Once in a while something funny happens. Our retail competitors usually look on us as experts in store management, whereas in fact we have had everything to learn about the business in a couple of years. Trial and error has been the method. In one town we experimented with French gray paint and open counters.

Display is a ticklish problem for us because we carry a large assortment of goods, and in the early stages of our experience tried to show items as diverse as horse collars and chiffon hose almost on the same counter. It was discovered that almost any goods looked well against French gray, as long as the paint was fresh and clean—but it got dirty in an amazingly short time.

Two hardware merchants in this town looked over our layout on opening day, went back to their stores and began ripping out the high shelving and transferring the stock to open counters which they painted French gray. Before the paint was dry, we were completely remodeling our own counters in favor of something more practical!

Third, chain stores do useful work for independents by helping to educate the public to proper credit terms.

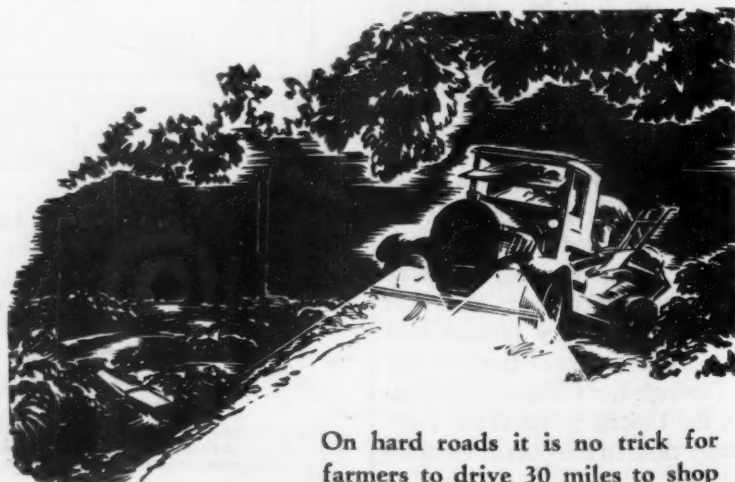
The first chain stores sold exclusively for cash. Many still do. But an increasing number now extend credit, or offer time-payment plans. But this credit business is conducted on a strict business basis.

The independent merchant generally runs a credit store. Sometimes credit swamps him. In many country districts, farmers still expect to buy in the spring and pay in the fall, after harvest. The chain store will not carry customers that way. Credit terms are standardized. This educates customers to pay promptly for some things, and the benefits of such education can be harvested by independents. A customer, let us say, asks for long, easy terms.

"If you were buying this at a chain store," the independent can point out, "you'd have to pay so much down, and interest if they carried the account for you. I'll have to do the same."

Money tied up in unpaid accounts is usually the least satisfactory part of a merchant's total capital. If large sums and long periods are involved, the burden becomes a handicap in competition. Chain stores refuse to accept the handicap. Their example enables the independent to put up a stiffer fight against the practice.

These are some of the bigger things, as I see them, that the chain store does to help the independent merchant. But the story does not end there. *The independent possesses certain advantages which*



On hard roads it is no trick for farmers to drive 30 miles to shop



We believe in splitting hairs

NO VISITOR to our plant ever fails to be impressed by a most unusual machine which we coddle like an infant. It is known as a Dynamic Balancer; made for us in Germany. We use its uncanny superhuman delicacy in balancing our high speed armatures and shafts to within 15/100 gram of absolute perfection—the literal equivalent of splitting a hair. We have often been criticized for being unnecessarily precise,

and, no doubt, we could produce in greater volume by less rigid standards. But it is this microscopic exactness throughout the construction of all Robbins & Myers electrical appliances which enables them to deliver one hundred per cent service for years beyond the time when, our customers tell us, by every rule of calculating depreciation they should be figured off the books.

If you have a problem in electrical-motored machinery come to Robbins & Myers. We offer you the facilities of a completely modern plant, and the experience of 31 years' precision manufacture in designing, building and applying electric motors, generators, fans, and electrical appliances

Partial List of Apparatus to which Robbins & Myers Motors have been successfully applied

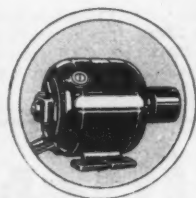
Adding Machines	Confectioner's Machinery	Humidifiers	Movie Projectors
Advertising Displays	Conveyors	Ironing Machines	Portable Tools
Air Compressors	Dental Lathes	Labeling Machines	Printing Presses
Baker's Machinery	Dish Washers	Oil Burners	Spray Equipment
Blowers	Driers	Office Appliances	Ticket Selling Machines
Brick Machinery	Floor Surfacers	Organ Blowers	Vacuum Cleaners
Churns	Folding Machines	Mailing Machines	Ventilating Fans
Cloth Cutters	Heaters	Machine Tools	Unit Heaters
Coffee Mills	Heat Regulators	Meat Choppers	Washing Machines
Coin Counters	Hoists	Milking Machines	Wrapping Machines

Robbins & Myers, Inc.

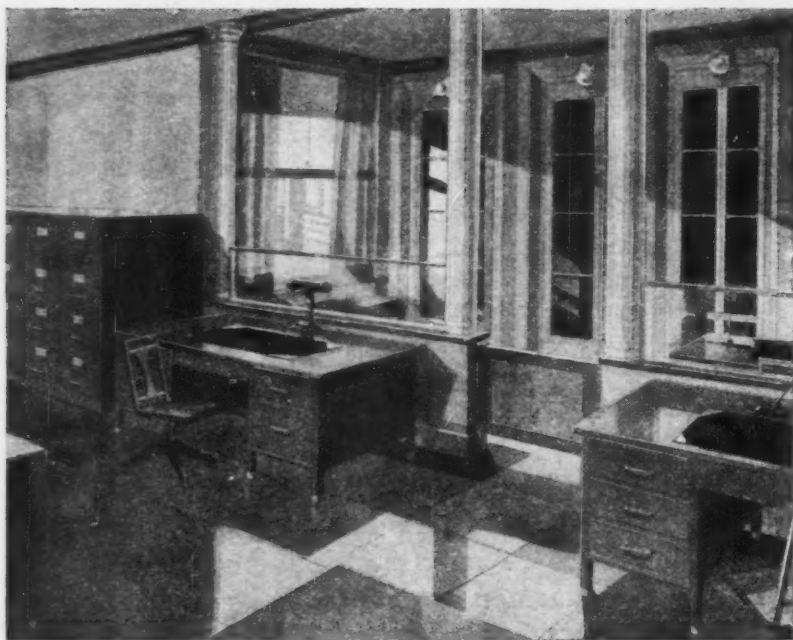
Springfield, Ohio

Brantford, Ontario

1878



1929



Business Hours *that speed...or drag*

OFFICE EQUIPMENT CAN MAKE THE DIFFERENCE

HAS your office the comfort of smooth-working, efficient equipment? As business leaders know, the answer to this question has a tremendous effect on your work.

That is why successful firms jealously guard the office comfort of the entire personnel. They insure pleasant working surroundings with modern equipment, such as Art Metal. And their efficiency and accomplishment reflect this sound judgment.

Whatever your needs, Art Metal can fill them. Desks for executive or staff; fire-safes of permanent, pre-tested protection; files for every possible requirement; tables, shelving, any office piece . . . designed by

engineers with forty years' experience . . . executed by master craftsmen and reasonably priced. Best of all, first cost is last since steel does not splinter, break or warp—and steel reduces fire hazard.

See this attractive furniture and equipment finished with special enamels in natural wood grains or rich olive green. See the wide variety of price and line . . . the most diversified line in the world. On display locally in over 500 cities.

Write for beautiful color booklet of office interiors . . . free

"Equipping the Modern Office" is illustrated with paintings by Lurelle Van Ardsdale Guild, widely known New York decorator. They suggest a few of the pleasing and practical office interiors that may be achieved through the use of Art Metal Equipment. We shall be glad to send you a copy along with any of the catalogs listed below. Just write, mentioning the ones you wish.

Art Metal Construction Co., Jamestown, N. Y.

- | | |
|-------------------------------------|---|
| <input type="checkbox"/> Desks | <input type="checkbox"/> Upright Unit Files |
| <input type="checkbox"/> Plan Files | <input type="checkbox"/> Counter Height Files |
| <input type="checkbox"/> Fire Safes | <input type="checkbox"/> Horizontal Sectional Files |
| <input type="checkbox"/> Shelving | <input type="checkbox"/> Postindex Visible Files |



Art Metal
STEEL OFFICE EQUIPMENT

When writing to ART METAL CONSTRUCTION CO. please mention Nation's Business

the chain store does not have and probably cannot get.

In the first place, buying power. In the usual snap summing-up, this is accounted the great weapon of the chain stores. But actually, the spread is not nearly as great as many imagine.

It is true that the chain store can usually go into the market and buy cheaper, quality for quality, through command of quantity.

The chain and overhead

BUT IT must be borne in mind that the chain-store organization heaps up a vast overhead which must be included in the price received.

Furthermore, many merchants are joining buying groups, or running their own wholesale houses, or in some other way gaining the advantages of large-scale buying, while retaining the advantages of independent ownership. Everything considered, I should say that the chain store is fortunate indeed which can steadily offer a 10 or 15 per cent price advantage over independent rivals; and such an advantage is probably realized only by the largest chains.

Against this advantage, if and when it exists, the independent can exercise extreme mobility of action. Chain-store organizations are necessarily governed by strict rules. Chain-store managers are expected to follow set instructions. They are not in position to exercise as much ingenuity, initiative, and resourcefulness as the independent.

Another point. In many towns, an individual income of, say, \$5,000 a year is a tidy sum, on which an independent merchant and his family can live in comfort and dignity, and probably save and invest enough, if judicious, to retire in security after 20 years or so. A chain-store outfit, however, would find the same earnings starvation wages; and if a store could not be made to earn more, probably it would be pulled out of the town.

These are the principal considerations that lead me to say after an intimate experience with chain-store management, that the chain store is not putting an end to local, independent merchandising, nor is it likely to do so. The little fellow is not such a poor chap after all, and he is not done for. According to the best available estimate, he is still doing more than 60 per cent of the country's retail business.

I see a bright future for chain stores. That future, however, does not depend on doing away with independents, but on performing part of the retail function alongside them.

Older than the Nation



The Philadelphia waterfront in 1752, the year Benjamin Franklin founded in that city the oldest insurance company in America—a MUTUAL company.

WHEN an individual or a corporation buys insurance in a mutual company, there is the satisfying knowledge that the principles and concepts that underlie a mutual policy have been seasoned and proven by almost two centuries of experience.

Mutual policyholders enjoy also the same direct representation in management that attaches to stock ownership and the privilege of sharing in the welfare of their company through dividends.

That the unusual stability of mutual corporations and the marked advantages of mutual protection are recognized is evidenced by the fact that 85% of the leading industrial organizations are mutual policyholders, and that over 80% of all life insurance is carried by mutuals.

The companies listed below, leaders in the casualty field, have an annual premium income in excess of \$65,000,000 and combined assets of over \$85,000,000.

A worth-while booklet on mutual casualty insurance will be sent on request. No solicitation will follow. Address Mutual Insurance, Room 2201, 180 North Michigan Avenue, Chicago, Illinois.



MUTUAL PROTECTION IS AVAILABLE FOR THESE CASUALTY RISKS:

Accident and Health	Liability (all forms)
Automobile (all forms)	Plate Glass
Burglary and Theft	Property Damage
Workmen's Compensation	Fidelity

MUTUAL CASUALTY INSURANCE

These Old Line Legal Reserve Companies Are Members of

NATIONAL ASSOCIATION OF MUTUAL CASUALTY COMPANIES and AMERICAN MUTUAL ALLIANCE

Allied Mutuals Liability Insurance Co., New York City; American Mutual Liability Insurance Co., Boston, Mass.; Builders Mutual Casualty Co., Madison, Wis.; Central Mutual Casualty Co., Kansas City, Mo.; Employers Mutual Casualty Co., Des Moines, Ia.; Employers Mutual Liability Insurance Co., Wausau, Wis.; Exchange Mutual Indemnity Insurance Co., Buffalo, N. Y.; Federal Mutual Liability Insurance Co., Boston, Mass.; Hardware Mutual Casualty Co., Stevens Point, Wis.; Interboro Mutual Indemnity Insurance Co., New York City; Jamestown Mutual Insurance Co., Jamestown, N. Y.; Liberty Mutual Insurance Co., Boston, Mass.; Lumbermens Mutual Casualty Co., Chicago, Ill.; (American) Lumbermens Mutual Casualty Co. of Illinois, New York City; Merchants Mutual Casualty Co., Buffalo, N. Y.; Michigan Mutual Liability Co., Detroit, Mich.; Mutual Casualty Insurance Co., New York City; Texas Employers Insurance Association, Dallas, Texas; U. S. Mutual Liability Insurance Co., Quincy, Mass.; Utica Mutual Insurance Co., Utica, N. Y.

When writing to NATIONAL ASSOCIATION OF MUTUAL CASUALTY COMPANIES please mention Nation's Business

Hardware Wholesalers Fight Back

By A. E. LONG

SEVENTEEN hardware wholesalers of the Missouri River zone have started jointly to tell their public about the service the hardware wholesaler performs. They have inaugurated a joint advertising campaign by which they are educating the retail dealers in what the wholesalers really mean to the trade.

There are sound reasons for their action. Business is changing. Established methods of distribution are challenged. Chain stores, mail-order houses, department stores, and house-to-house peddlers are getting a lot of the hardware business. Retailers and wholesalers alike are worried about these things. But on top of all this a new menace to hardware wholesalers has arisen in the multitude of little manufacturers who send representatives out to convince retailers that their salvation, in the face of modern competition, lies in buying direct from the manufacturer and "cutting out the middleman—the wholesaler."

The first thing member firms of the Missouri River Valley Hardware Wholesalers did in the face of this situation was to take complete inventory of themselves and their services and to satisfy themselves that they were really serving an essential need.

Why the wholesaler?

WHOLESALEERS from Sioux City, through Omaha, St. Joseph, Atchison, Saline, Wichita, Hutchinson, Kansas City, and on down to Oklahoma City organized and sent out questionnaires. The general managers of the 17 wholesale houses each jotted down his conception of the ten best reasons for the existence of hardware wholesalers. These reasons were studied intensively, boiled down, and refined until they became the bases of a great many concise advertisements clearly setting forth the economics of hardware wholesaling. These advertisements have begun to appear in the trade paper of the region, the *Hardware Trade Journal*, of Kansas City. Thus the message of the important and indispensable functions of the hardware wholesalers today are being carried monthly to 8,000 hardware retailers.

"Why the Roosevelt Dam?" asks one of the page advertisements.

"Why does not each farmer in the valley bring his own irrigation water from the springs a hundred miles up the canyon with his own individual ditch?"

"The answer is known to every child.

An economy in distribution

"SIMILARLY, why does not the hardware merchant buy each item of stock direct from the factories 500 to 2,000 miles away? The answer is the same. It is modern economy for all concerned to have wholesale houses—*reservoirs of merchandise*—which store items from 5,000 factories, and supply you quickly with what you need in your stock."

Every advertisement is illustrated in such a way as to make the point of the argument graphic and conspicuous.

One advertisement of the series shows how the retailer who buys direct must wait a week or ten days for a needed item to come from the factory. Meanwhile his customer steps across the street and orders from "Dealer Brown, who will get it in six hours from the wholesaler in his territory."

"Would You Burrow Daily Through a Thousand Factory Catalogs?" is a heading on another advertisement which shows a picture of a dealer bewildered by a flood of catalogs. The body of the advertisement reveals how many thousands of catalogs the retailer would have to study constantly in order to keep in touch with factory connections were it not for his wholesaler.

Another picture shows two long lines of bookkeepers at work. Under the picture is the question, "How many bookkeepers would you need if you tried to buy your stock direct from manufacturers all over the country?"

But here is something else—a picture of an army of men, four abreast and extending back over the horizon. They are all headed for the store of the retail hardware merchant, who stands aghast at the door.

"An army of 5,000 salesmen," says the caption. The text goes on to explain that this army would be swooping down

on the retailer every day if the wholesaler in the territory were eliminated.

So much for advertising copy. But there is more to the campaign. These wholesalers conducted a contest, through the cooperation of their trade publication, in which cash prizes were offered for the best 500-word essays justifying the existence of wholesale hardware houses.

This was open only to the wholesalers' employees. Hundreds of letters poured in. Many employees, for the first time in their lives were led to study the wholesaling business and to wonder what it was all about and why dealers should be served from a wholesale reservoir in the territory rather than direct from forge and foundry.

Getting the highlights

BEFORE this contest was opened, however, the wholesalers engaged Prof. Theodore N. Beckman, of Ohio State University, who a short time previously had made a study of the wholesaling business and had written a book on the subject, to write a booklet giving the highlights of hardware wholesaling. These booklets were placed in the hands of those entering the essay contest. The study of these booklets that the contest stimulated on the part of the wholesalers' employees in itself strengthened and fortified those employees in meeting the arguments and propaganda of those who would "eliminate the middleman."

But this was not all. Another contest was launched in which the dealers reading those page advertisements were invited to write letters on the subject, "Why I Buy From the Hardware Wholesaler."

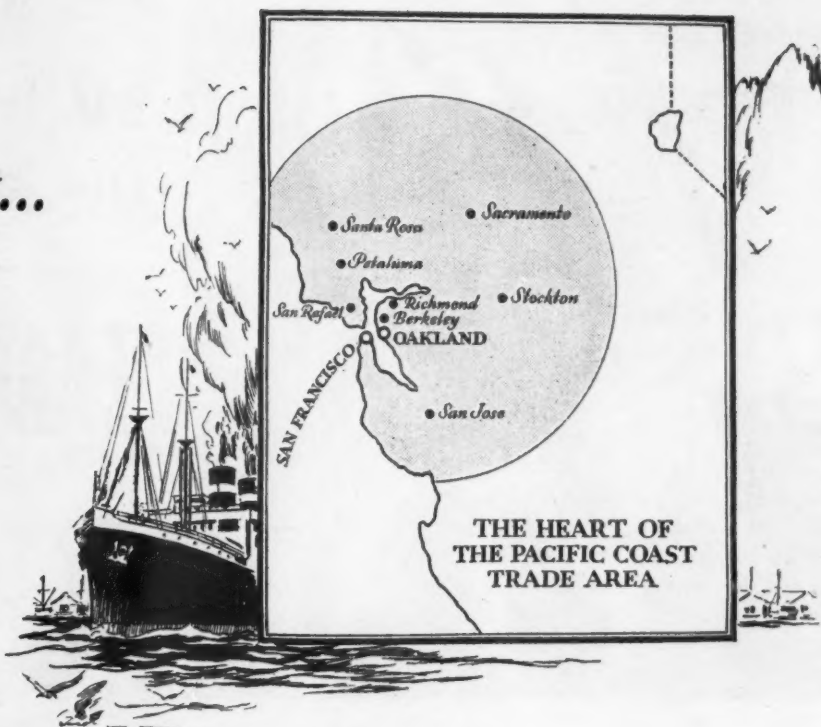
Thus the 17 wholesalers of the Missouri River region are disseminating educational material on the indispensableness of the wholesaler and then getting the reaction right back from their retail clientele in the form of letters and essays which show exactly to what degree the dissemination of this information has taken root and how it is affecting those whom the campaign is meant to influence.

*Here lies
a great market...*

the gateway to the Orient

*here is where
industries are
locating*

*to serve South American
Markets*



Natural Gas now available for industries in San Francisco Bay area *a new and cheaper fuel*

Here the railroads of the country meet the ships of the Pacific. Good roads aid in quick deliveries; an abundance of cheap electric power reduces production costs; plant investments are low; production is increased through efficient labor and suitable climatic conditions. Here is where industries are locating to serve the ever-growing western markets.

THE SAN FRANCISCO METROPOLITAN BAY AREA" now offers a further inducement for industrial development, for the Pacific Gas and Electric Company has an abundance of natural gas at attractive low rates. This Company will place industrial engineers at your disposal. Facts applied to your specific plant will be presented promptly and confidentially to your executives.

Send for a copy of
"Outstanding Features of the P. G. and E."

PACIFIC GAS AND ELECTRIC COMPANY

P. G. and E.

Serving 349 Communities in Northern and Central California

General Offices, 245 Market Street
San Francisco, California

Ind. No. 2



Can Industry afford an *awkward squad*?

DISCIPLINE molds farm hands, chauffeurs, clerks into finished fighters. And Motor Control disciplines electric motors . . . forms their crude brute force into a truly effective "cost-fighting" army. Lacking this discipline, this direction . . . electric motors remain in an awkward squad—blundering away at their appointed tasks . . . breaking down . . . disorganizing the production lines they were meant to speed.

Modern Motor Control also sets new limits for the true earning capacity of electric motors. It permits motors to pull heavier loads safely . . . converts many common production processes into automatic cycles which require little attention. It saves steps and time in the starting, stopping, or manipulation of most motor-driven machines. These extra earnings of motors, salvaged by Motor Control, are important for yearly profits . . . business leadership.

Realizing the importance of properly designed and applied Motor Control, alert plants exercise vigilance in its choice. An increasing number specify Cutler-Hammer Motor Control because of its quality, performance . . . and its reputation maintained and strengthened through over a quarter century.

You will find Cutler-Hammer the standard Control equipment on successful motor-driven machines for every purpose . . . installed by conscientious builders as your insurance of expected earning capacity—and Cutler-Hammer Control recommended by far-seeing motor manufacturers for directing and protecting the motors they build.

CUTLER-HAMMER, Inc.

Pioneer Manufacturers of Electric Control Apparatus

1251 St. Paul Avenue

MILWAUKEE, WISCONSIN

**Power
without
Control
is worse
than
wasted**

13

*Thirteen Times
the Manpower of Industry
Hidden Away in Electric
Motors*

Electric motors in America's industries today provide working capacity equal to 250 million workmen. That is more than 13 times the actual number of men employed. How effectively this army of "unseen" workers is used to bring down costs is determined by the care with which Motor Control is selected.

CUTLER HAMMER

The Control Equipment Good Electric Motors Deserve

(8245)

WHAT I'VE BEEN READING

By WILLIAM FEATHER

I N planning a long journey I put the "History and Development of Advertising" by Frank Presbrey, and "Recent Economic Changes in the United States," in my bags, and thereby contributed to the bent backs of porters of five nations.

I am writing in a Munich hotel in a small office equipped with a typewriter for the convenience of guests.

Presbrey's book¹ is a stout volume of 642 pages, with more than 350 illustrations. It is well printed, well written, and well considered, probably the most complete and readable story of advertising ever written.

It is more than a story of advertising; it is also a story of the history and development of newspapers and magazines, as well as an outline of business. Any one who makes his living from publishing or advertising will find in this book the answers to a thousand questions. Despite its forbidding size it should not be put aside.

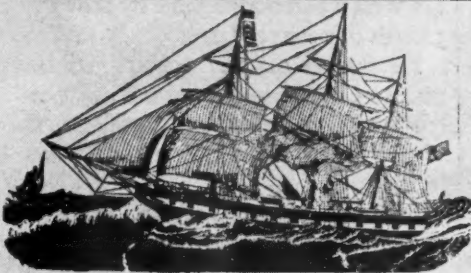
The scope and tone of the book are suggested by the following paragraphs from it:

"When it came to pulling Europe out of the Dark Ages it was business men, the class of men who today are the advertisers, who did it. Formation by them of the Hanseatic League in the thirteenth century gave us the beginning of modern civilization. This league of men and cities interested in commerce and trade, starting with a membership of two cities on the Baltic, spread south to the Danube, and in a hundred years had 70 cities in its membership.

"It was trade and commerce under arms to protect itself against banditry

¹History and Development of Advertising by Frank Presbrey. Doubleday-Doran & Company, Inc., Garden City, N. Y. \$7.50

FOR
SAN FRANCISCO
CALIFORNIA, DIRECT.



VERMORON & S. NEW CLIFFTON SHIP

CAROLINE READ
W. READ, Master.
WILL SAIL IN A FEW DAYS.

The ship is 18 months old, built for a Packet, and is the best in the Pacific. She has a fine crew, and is well equipped for passengers, and cargo. She will sail on the 15th of the month of May. For balance of Freight or for Cabin Passage, apply to Captain on board. Pier 2, North River, or to

JAMES W. ELWELL, 57 South St.

GEORGE F. NEWBERRY, Publisher and Printer, 100 West Wall St.

FROM "HISTORY AND DEVELOPMENT OF ADVERTISING"

This bill, 23 by 36 inches, offered New Yorkers of 1850 an opportunity to go to the scene of the gold discoveries via Cape Horn

and the feudal lords. Sailors and soldiers of the league put an end to the rule of piracy on the sea and banditry on land which had kept commerce and the interchange of ideas at a standstill for centuries.

"The league established factories, and schools to train workers. It opened mines and encouraged the tilling of the land. It inaugurated and maintained a postal service and enforced the right of freedom for the individual. It broke the power of the feudal lords and brought a large measure of popular government where there had been serfdom."

THE idea of advertising and particularly the want ad page, which is so important a feature and so large a source of revenue of newspapers today, was first suggested by Montaigne, the French essayist. In an essay entitled "Of a Defect in our Politics," published in 1594, he wrote:

"My whilom father, a man who had no help but from experience and his own nature, yet of an unspotted judgment, hath heretofore told me that he much desired to bring in this custom, which is, that in all cities there should be a certain appointed place to which whosoever should have need of anything might come and cause his business to be registered by some officer appointed for that purpose; as for example, if one have pearls to sell he should say, I seek to sell some pearls; and another, I seek to buy some pearls. Such a man would fain have company to travel to Paris. Such a one enquireth for a servant of this or that quality. Such a one seeketh for a master, another a workman; some this, some that, everyone as he needeth; and it seemeth that this means of enter-wanting one another would bring no small commodity into common service and society."

THE annual subscription price of a London daily in 1853 ranged from \$30 to \$45, and a weekly newspaper from \$9 to \$12, sums that were greater in proportion then than now.

In the United States at that time a popular daily cost \$5 a year and a weekly \$2. The high cost of news led to public houses and coffee clubs supplying papers for patrons. It was not uncommon for a chop house to have a placard: "Two newspapers taken here."

The heavy tax on newspapers led to the use of poster advertising, giving to that form of publicity an advantage in Europe which persists even to this day. England and Europe lead us in the mastery of the technique of the poster.

WHEN outsiders attempted to interfere with the editorial policy of Benjamin

The Watchman



HAS NO BOSS

How many of your daytime employees could be left to do their work without a supervisor? Only a small number.

Employees who can work without supervision are rare.

Your watchman is alone night after night. He is the only employee who has no boss.

You assume that he attends to his work and guards your property. But do you know?

The watchman who carries a Detex Watchclock has a boss. He knows that the record will reveal any negligence, so he stays awake and attends to his duty.

Send the coupon for full information.

DETEX WATCHCLOCK CORPORATION

4153 Ravenswood Avenue, Chicago, Illinois
29 Beach St., Boston 80 Varick St., N. Y.
Glenn Building, Atlanta

Manufacturing
**NEWMAN • ALERT • PATROL
ECO WATCHMAN'S CLOCKS**

Approved by the Underwriters' Laboratories and
the Factory Mutuals Laboratory

DETEX WATCHCLOCK CORP.
4153 Ravenswood Ave., Chicago, Ill.

Send me information on Detex Watchman's Clocks.

Name.....

Address.....

City..... State.....

DETEX

Representatives in all large cities in America and Abroad

When writing please mention Nation's Business

Franklin's newspaper that publisher replied:

"Anyone who can subsist on sawdust pudding and water, as I can, needs no man's patronage."

He was a shrewd publisher, the first in this country and probably in the world, to establish a newspaper chain. After he retired in 1776 he continued to draw \$5,000 a year from the Pennsylvania Gazette for several years.

PRESBREY contends that the rapid distribution of population in the United States and particularly the conquest of the West was made possible by the early growth of newspapers.

Newspaper support encouraged the rush to California, helped the swift extension of railroads, the development of new towns, new factories, and new farms.

Invention of machinery and improvements in methods were due in large measure to the spread of the newspaper among all classes.

"Nearly every mechanic in America takes a newspaper," Horace Greeley told the Parliamentary Committee investigating the newspaper tax in 1851.

Asked for his opinion on the educational effect, and for some concrete example of the economic value of newspaper reading by mechanics, he said, "I think the capacity to invent or improve a machine, for instance, is very greatly aided by newspaper reading—by the education afforded by newspapers."

IN THE 'fifties, newspaper publishers would not permit display advertising. "Agate and no display" was the rule. Robert Bonner was the publisher of the New York Ledger, a literary publication, which took no advertising, but was exceedingly prosperous on a circulation of 400,000, a stupendous figure in those days.

He anticipated modern publishers by paying high prices to well-known writers. He paid Henry Ward Beecher \$30,000 for his novel "Norwood," \$5,000 to Tennyson for a short poem, and \$5,000 to Charles Dickens for a short story.

Like modern publishers, he paid these prices not because of extraordinary literary merit, but because the names and the prices loaned themselves to sensational publicity.

Bonner capitalized his large expenditure for features by buying whole pages in the New York Herald and other newspapers, and repeating one phrase in agate type throughout a whole col-

umn. This created a sensation which was exactly what Bonner wished. Once he repeated a single message 600 times on one page. He spent as high as \$27,000 a week for advertising, and was the first outside of the patent-medicine men to invest \$150,000 a year in newspaper advertising.

Bonner became a millionaire, the owner of trotting horses—Dexter, Maud S. and others of national fame. He gave more than a million to charities. The reiteration style of copy persisted for a generation before the publishers released their ban on display.

ONE OF the best chapters of the book tells about John E. Powers, perhaps the greatest of all American advertising men. Many illustrations of Powers' copy and typography are shown. He anticipated present copy men by a half century. Advertisements he wrote in the '70's could be repeated today.

Powers was not only ahead of his contemporaries in copy and typography, but he was also a stickler for business honesty. He wrote the truth and nothing but the truth at a time when exaggeration and downright dishonesty were usual.

CONCERNING the automobile and its contribution to advertising, Presbrey says:

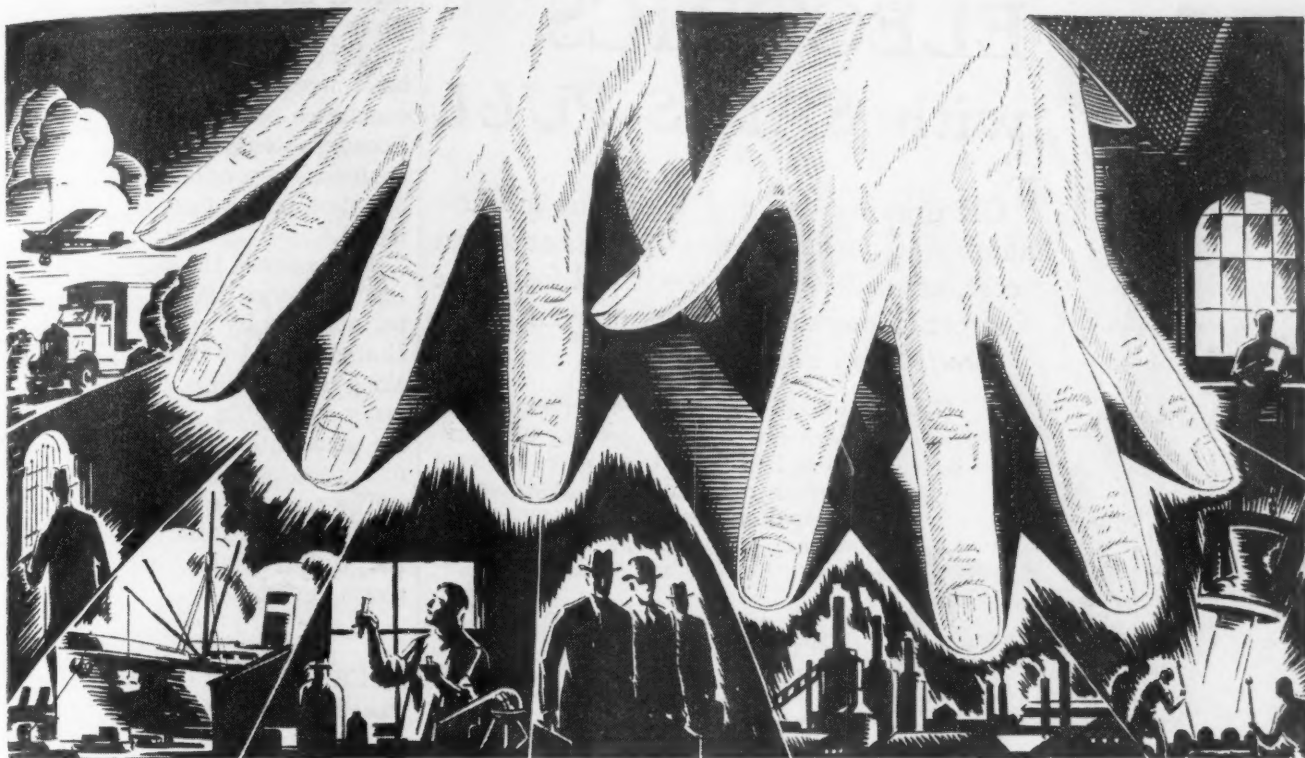
"When advertising shall have had 50 years more of development and the practitioner of 1978 looks back over its history he doubtless will regard as unimportant all progress made up to the time advertising was given the automobile to employ itself upon.

"The automobile provided the big opportunity which led to the conclusive revealment of advertising as a force of the first magnitude, a force comparable to steam, electricity and the automobile."

THIS review is sketchy and omits a hundred important incidents in the growth of advertising. Barnum was a notable factor, as was the patent-medicine man. The advertising agent has been second only to the publisher in the development of advertising as a tool of business. Dozens of individuals have made outstanding contributions.

For future historians this volume will be a memorable and invaluable milestone.

"RECENT Economic Changes in the United States," is the two volume re-



A finger on every department of your business

*A system of day-to-day control
that keeps you posted on
every trend*

THE busy-looking office . . . the busy-looking factory . . . enthusiastic verbal reports from department heads—none of these necessarily mean that business is making profits.

No matter how prosperous the scenery may look, it is the cold, hard figures from every department—compiled every day—that tell the true story of your trend.

When an executive has all the vital facts and figures before him, posted up-to-date each day, he has his fingers on the safest index upon

which to base decisions and to chart future operations.

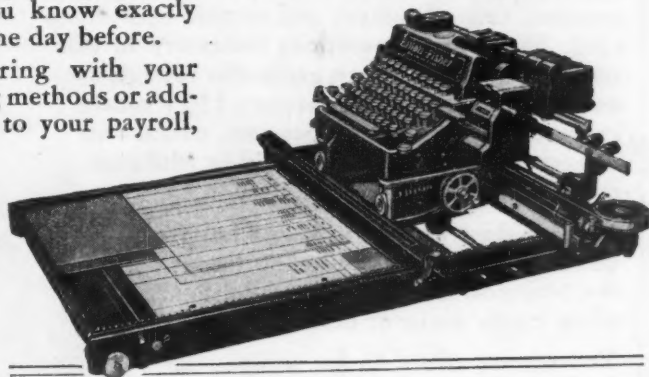
Elliott-Fisher enables you to base decisions on information that is right up to the minute. The records of every department are compiled every day and summarized in a simple, concise report. This is placed on your desk every morning, and even before you open your morning mail, you know exactly where you stood the day before.

Without interfering with your present accounting methods or adding a single man to your payroll,

*The Elliott-Fisher
flat surface ac-
counting - writing
machine*

Elliott-Fisher combines many operations into a simple, unified plan of control. Thousands of executives depend on Elliott-Fisher.

We should like to tell you about the part that Elliott-Fisher fact-finding machinery plays in the successful management of many well-known firms. Let us send you full information. Use the coupon below.



Elliott-Fisher

Flat Surface Accounting-Writing Machines

GENERAL OFFICE EQUIPMENT CORPORATION

Division of Underwood Elliott Fisher Company

342 Madison Avenue, New York City

"Underwood, Elliott-Fisher, Sundstrand, Speed the World's Business"

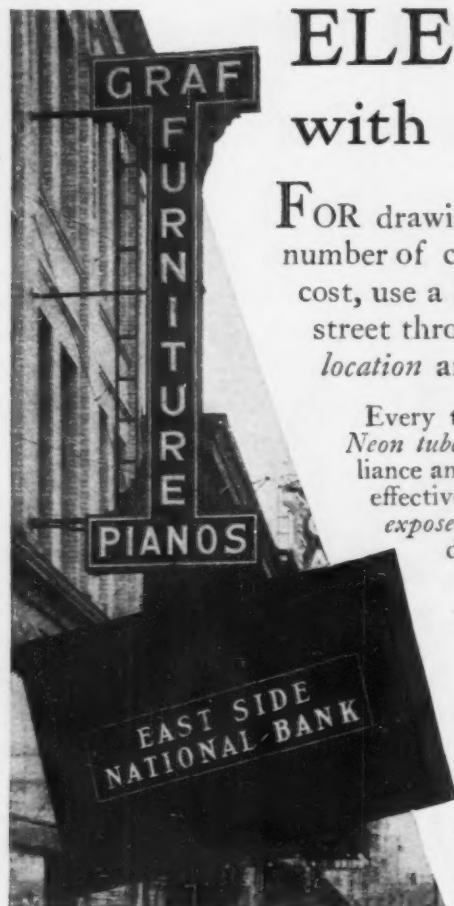
General Office Equipment Corporation
342 Madison Avenue, New York City

Gentlemen: Kindly tell me how Elliott-Fisher can give me closer control of my business.

Name _____

Address _____

When writing to GENERAL OFFICE EQUIPMENT CORPORATION please mention Nation's Business



ELECTRICS with SALES PULL

FOR drawing day and night the greatest number of customers to a business at lowest cost, use a Flexlume — — it will focus the street throng's attention upon your *name*, *location* and *what you sell*.

Every type of illumination to choose from: *Neon tube* with exclusive features for tube brilliance and long life; *raised glass letters* for most effective day as well as night pull; *spectacular exposed lamp designs* with moving or flashing devices; *combinations of any or all* these types of illuminations.

To get complete details and to see color sketch without obligation, 'phone the Flexlume office in your city . . . or write FLEXLUME CORPORATION, 2097 Military Road, Buffalo, N. Y.

Sales and Service Offices
in Chief Cities of
U. S. and Can.



Factories at
Buffalo, N. Y. and
Toronto, Can.

FLEXLUME ELECTRIC DISPLAYS

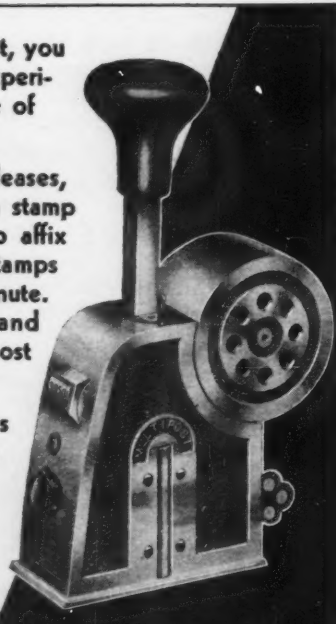
MULTIPOST YOUR MAIL

WHEN you purchase the Superior Multipost, you do not buy an experiment. You buy the experience of eighteen years in the manufacture of hundreds of thousands of Multiposts.

Multipost, at one stroke of the plunger, releases, moistens, cuts off, affixes and records each stamp used. Saves four operations necessary to affix stamps by hand. Beginners easily affix 3000 stamps an hour; experienced operators 150 a minute. Protects stamps from carelessness, misuse and damage. It is surprising how quickly Multipost pays for itself.

May we show you by as long a free trial as you desire, and without obligation, the savings that Multipost makes? Ask your stationer, office supply dealer or our representative.

You cannot afford to be without our booklet, "HIDDEN LOSSES IN POST-AGE MONEY." Write.



MULTIPOST CO.

55 CENTRE PARK,

ROCHESTER, N. Y.

port of the President's committee, of which Herbert Hoover was chairman until he was elected President. The basic investigations were made for the committee by the National Bureau of Economic Research, Inc., the committee assuming responsibility for the interpretation of the facts set forth in the report.²

At the outset the statement is made that the period 1922 to 1929 is characterized less by profound economic change than by intensified activity along normal lines. We are moving faster today, but we are moving along the same paths that marked our progress in the last decade.

The report is notable because of its lack of gloomy facts. All is not well in the United States, but no problem seems insoluble.

EVERY phase of economic life is discussed, and endless tables of figures and charts are presented to support each statement. One is puzzled by the contrast. In his review at the end of the book, Wesley C. Mitchell shows why this period has led to so much uneasiness.

"Consumption as a whole has increased," he says, "but the consumption of certain great staples has shrunk. While trade at large has flourished, certain branches have languished—notably shipbuilding, the railway equipment industry, and agriculture; in less measure the textile, coal, and shoe trades. Payroll disbursements of factories have expanded, but manufacturing employment has diminished. Business profits have been large, but so also have been the number of bankruptcies. Great quantities of gold have flowed into the country, but wholesale prices have sagged much of the time. Income as a whole has grown larger, but important sections of the country have made little gain, and important occupations have suffered loss."

One writer could take the record of the country since 1922 and present a picture of prosperity exceeding anything ever known before in the history of the world. He would tell of automobiles, radio, automatic machines, electric power, large scale-farming, high wages, intelligent labor, and our enormous reserves of credit.

Another would tell of the failure of independent retailers and small manufacturers, of the replacement of skilled

²Recent Economic Changes in the United States. Report of President's Committee. 2 volumes. McGraw-Hill Book Company, Inc. \$7.50

men by automatic machines, of able men in middle life unable to find work, of small farmers dispossessed of land on which they had spent their lives.

"Both pictures would be true to life," says Mitchell, "so far as they go. Both are easy to make—one has only to select from the abundant materials those harmonizing with the chosen theme. Both are easy to understand because they show no incompatible elements. But neither picture satisfies an observer who uses his eyes."

Today we are passing through an industrial revolution comparable to that which followed the invention of the steam engine. Why has the United States fared so much better in this period than other nations? Dr. Mitchell concludes that our success is due to the application of intelligence to the day's work more effectively than ever before.

"Thus," he says, "the prime factor in producing the extraordinary changes in the economic fortunes of the European peoples during the nineteenth century is the prime factor in producing the prosperity of the United States in recent years. The old process of putting science into industry has been followed more intensively than before; it has been supplemented by tentative efforts to put science into business management, trade union policy, and government administration. . . . All this means that, since 1921, Americans have found ways of producing more physical goods per hour of labor than before. They have received larger incomes because they have produced more commodities and services. . . ."

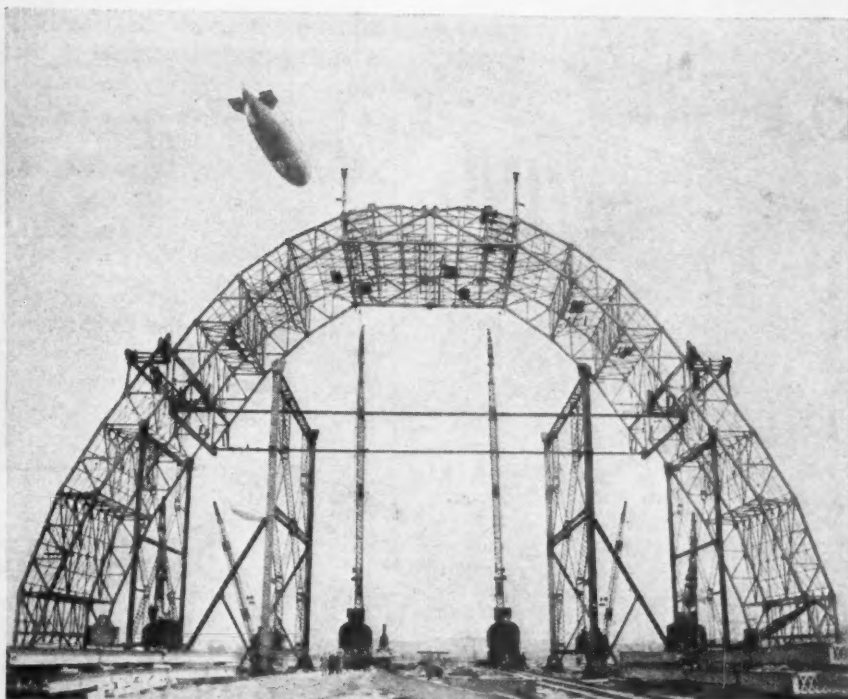
AMONG the "bad spots" on the horizon, Dr. Mitchell mentions, "technological unemployment." Hundreds of thousands have been displaced in the last few years, and have had to seek new employment. Most of these have found other work, but not without suffering and often at less pay. Dr. Mitchell suggests that some cushion must be provided for the man forced out of a job through no fault of his own.

Looking ahead, does this era of unprecedented good times promise to go on forever?

No. Business cycles have not been ironed out, but the curves are not as sharp.

Cautious, intelligent, faithful management may insure another decade of good times. Can we maintain a balance that will accomplish this desirable result?

"Perhaps no serious setback will occur for years to come," says Dr.



Helping Speed Erection Of Goodyear Hangar

In constructing the giant airship factory and dock for the Goodyear Zeppelin Corporation at Akron, Ohio, the contractors have evolved unique erection methods which saved considerable time and money. Seven Industrial Brownhoist locomotive cranes, two having an overhead reach of 145 feet, were prime factors in this construction work.

The hangar, which will be 1184 feet long, is built around 13 arches having a center height of 198 feet and a clear span of 325 feet. The two haunch sections of these arches are erected to a height within reach of the long boom cranes. Then the center truss, after being completely assembled on the ground, is raised by cranes and counterweights and connected.

Not only on spectacular jobs like the above, but also in the routine of your own shop and yard operations, an Industrial Brownhoist, equipped with bucket, hook, or magnet would effect a substantial saving. There is a size and type to meet your handling needs.

Industrial Brownhoist Corporation, General Offices, Cleveland, Ohio
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Mitchell. "But we are leaving 1921 well behind us, and there are signs that the caution inspired by that disastrous year is wearing thin. . . . All that is certain is that whatever progress in efficiency we continue to make must be won by the same bold and intelligent work that has earned our recent successes."

A YEAR ago I called attention to the writings of E. W. Howe, editor of *E. W. Howe's Monthly*, and author of "The Story of a Country Town," one of the

greatest American novels, written 40 years ago.

At that time Howe's autobiography, "Plain People"³ was being published in the *Saturday Evening Post*. It is now in book form. All reviewers hail it as a vivid story of typical American life during the years when the country was coming of age. Ed. Howe never wrote a dull line. "Plain People" is a book that will interest business men.

Plain People, by E. W. Howe. Dodd, Mead & Co., New York. \$3.

On the Business Bookshelf

WHY have most philosophers from Aristotle to Samuel Butler decried machinery? What is the effect of much mechanical help on the modern man? These are but two of the questions inspired by Stuart Chase's study of "Men and Machines."¹

Of particular interest is his chapter "One Dead Level" in which he argues that machinery does not standardize. He cites the mass production of products such as automobiles, the models of which are changed repeatedly, despite the standardization in manufacturing processes. Our standardization "is the standardization of infinite variety and perpetual change; and thus uncomfortably close to a contradiction in terms."

In daily customs there is far less standardization than there was in the Middle Ages, Chase declares. The life of any modern individual is open to more variety than ever before if he does not fall into a rut and choose to stay there.

Mr. Chase has made an interesting—and at times startling—story of the relations of men and machines in this volume.

THE Ronald Aeronautic Series has grown to a sizable bookshelf. It now contains twenty-odd volumes. The latest to come to our attention is "International Airports,"² by Lieut. Col. Stedman S. Hanks. He shows in what ways Europe's greater experience in international passenger air traffic could serve as a useful guide for airport construction and management in this country.

The book has many interesting photographs of airports showing buildings and general layout of the fields. One chapter, that will awake interest in many towns, gives suggestions for making airports profitable. Among the side

lines the ports may operate, restaurants are the most outstanding.

PROGRESSIVE communities everywhere are endeavoring to make themselves terminals or ports of call for the budding airlines. Airports are springing up everywhere.

"Civil Airports and Airways,"³ by Archibald Black, an air-transport engineer, treats a subject of growing national importance. It describes the methods of providing a municipality with an airport. Location, size, preparation of the field, layout of buildings, markings, equipment—each subject is discussed from the viewpoint of a practical engineer who is abreast of current developments in this rapidly expanding field.

THE AUTHORS of "Problem Economics"⁴—Keezer was formerly associate professor of economics at the University of North Carolina, while Cutler and Garfield are assistant professors of economics there—seek to follow in this volume what they describe as a middle course between the conflicting schools of thought as to the proper method of ushering students into the mysteries of economics. As the title indicates and the authors themselves say, the book seeks to draw "its material from economic

¹Men and Machines, by Stuart Chase. Macmillan Company, New York. \$2.50.

²International Airports, by Stedman S. Hanks. The Ronald Press Company, New York, 1929. \$5.

³Civil Airports and Airways, by Archibald Black. Simmons-Boardman Publishing Company, New York, 1929. \$4.

⁴Problem Economics, by Dexter M. Keezer, Addison T. Cutler, and Frank R. Garfield. Harper & Brothers. \$4.



Fokker Flies the Spanish Main

Over the placid Caribbean . . . once the cradle of great strife and mighty conquest. Dominated no longer by Kidd, Morgan, Drake or their buccaneering kind; now merely reflecting a tropical Paradise of turquoise seas and emerald isles, to charm the visitor.

On to Havana—beautiful playground of the Americas. Fokker planes, flying Pan-American Airway lanes, allow ample time to feast the eyes on beautiful panoramas of palm-fringed beaches unfolding below, while gratifying the most urgent wish to reach without delay this glorious land of smiling days, and balmy nights.

You leave Miami as the rising sun beckons from the East and arrive gently at Havana just two hours and fifteen minutes later. The Fokker way of air travel not only adds days to summer and winter vacations, but is proving a tremendous asset to business men . . . saving days of their valuable time.

Fokker planes have been chosen for the Pan-American Airway lines to assure the speed, comfort, and safety necessary for this modern and luxurious mode of travel.

Other commercial lines using Fokker super tri-motor air liners are: Universal Aviation Corporation, Southern Air Transport, Standard Air Lines, National Parks Airways, Western Air Express, Dominion Airways, Western Canada Airways.

If interested in air travel, send your name and address to the Fokker Travel Bureau, Room 2300, 23rd Floor, 292 Madison Ave., New York City, with a 5-cent stamp (to pay air mail postage), and we will send you our illustrated booklet, "When Air Travel Pays."

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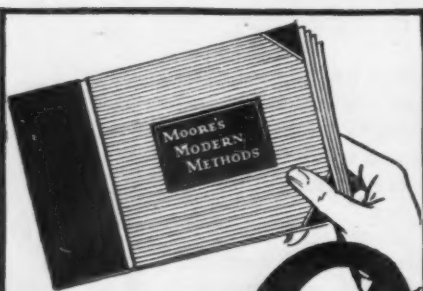
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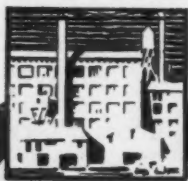
Write on your business stationery for this Free Book on up-to-date Loose-Leaf equipment

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A great help
toward simple
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Write for it
today!

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Serving over 200 towns in the Carolinas, including parts of the Coastal Plain, the Piedmont and Mountain Regions, it is possible we may be able to give you in a single location, the exact combination of production factors you desire.

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SERVING CENTRAL CAROLINAS AND WESTERN NORTH CAROLINA

problems stated in the homely and controversial terms of everyday life, and weave this material into a pattern which discloses to the student the outlines of our economic system as a whole."

We think the volume succeeds in its purpose. This handling of the subject commends the volume not only to the collegian, but to the business man who would brush up his own ideas of the subject or gain new ones.

THE American Library Association has published two new pamphlets in its interesting "Reading with a Purpose" series. They are "Economics" by Walton H. Hamilton and "Journalism" by Willard Grosvenor Bleyer.

The series presents brief outlines of the subjects, reviews of important books bearing on the topics, and brief bibliographies.

THE National Industrial Conference Board, producer of many reports, often dry and statistical but usually painstakingly prepared as to accuracy, has just published a report on the economic condition of the world as of the first part of this year.* The book has many statistics but it is interesting and easy to read barring the figures which may be omitted easily.

MR. GARRETT'S book⁷ is devoted to the commendable purpose of making business letters better letters. He discusses the form, composition and content of a good letter including its opening and closing, "sales-appeal," human interest, and the numerous mistakes that correspondents too frequently make.

"Take a letter . . ." is a welcome contribution to the science of letter writing.

THE technique of creative leadership cannot be mastered without some knowledge of effective methods of teaching. The best executive is the best teacher. In the preface to "Human Nature and Management"⁸ the author cautions

⁶"Reading with a Purpose," a series published by the American Library Association, Chicago. 35 cents.

⁷A Picture of World Economic Conditions at the Beginning of 1929. National Industrial Conference Board, Inc., New York, 1929. \$2.50.

⁸"Take A Letter . . ." putting persuasive power into the day's dictation by Jack Garrett. The Business Letter Institute, Indianapolis.

⁹Human Nature and Management, by Ordway Tead. McGraw-Hill Book Company, Inc. New York, 1928. \$3.50.

the reader against becoming discouraged in the early chapters, which are devoted to a nontechnical explanation of fundamental psychological principles. The balance of the book abounds with practical suggestions for the application of the rules of human behavior in personal and managerial relationships.

This volume should be of more than passing interest to the business and industrial executive. Pseudoscience and quackery, which characterize many works on so-called practical psychology, are conspicuously absent. The chapters on the technique of group action and the technique of training are of especial value. The text is enlivened with copious illustrations based upon the author's own broad industrial experience.

Recent Books Received

Industry, Governments and Labor, Record of the International Labor Organization, 1919-1928. World Peace Foundation Pamphlets, Boston, 1928. \$2.

Employe Thrift and Investment Plans, National Industrial Conference Board, Inc., New York, 1929. \$1.

Education for Tolerance, by E. J. Fanshawe. Published by Independent Education, New York.

Prohibition as We See It. Published by the Board of Directors of the Church Temperance Society. \$1.

Investment Policies That Pay, by Ray Vance. B. C. Forbes Publishing Company, New York, 1929. \$4.

Executives' Business Law, by Harry A. Toulmin. D. Van Nostrand Company, New York, 1929. \$6.

European Financial Control in the Ottoman Empire, by Donald C. Blaisdell. Columbia University Press, New York, 1929. \$3.

The American Merchant Marine Problem. National Industrial Conference Board. New York, 1929. \$2.50.

The Financing of Business Enterprises, by Avarad Longley Bishop. Harper & Brothers Publishers, New York, 1929. \$5.

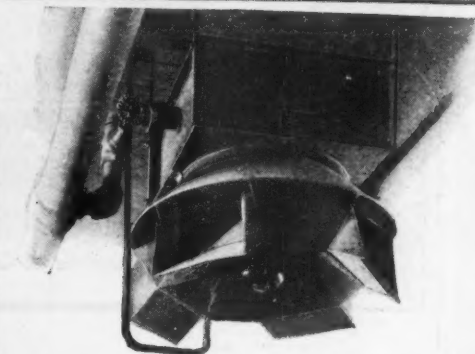
The Shopping Book, by William H. Baldwin. The Macmillan Company, New York, 1929. \$2.50.

Selling Insurance by Cooperative Advertising, by J. W. Longnecker. F. S. Crofts & Co., New York, 1929. \$2.50.

The Governance of Hawaii: A Study in Territorial Administration, by Robert M. C. Littler. Stanford University Press, Stanford University, Calif., 1929. \$2.75.

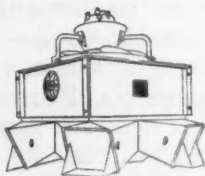
WING

FEATHERWEIGHT

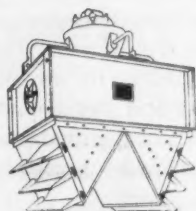


Type LC unit for installation close to ceiling—widespread discharge from low levels. Also used with fresh air duct.

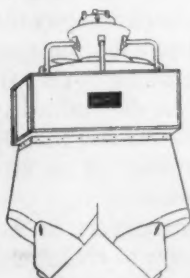
Special Discharges SPREAD warmth in a Wing Heated Building



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For small Heaters placed fairly low. Long narrow areas.



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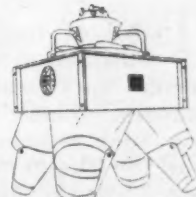
They use the highly efficient Wing Scruplex propeller-type Fan to provide a sufficient volume and velocity of discharge to penetrate and warm the mass of cool air beneath it.

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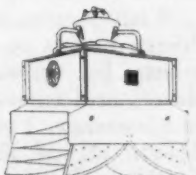
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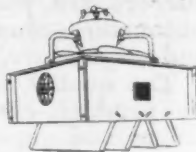
55 Seventh Avenue New York, N. Y.



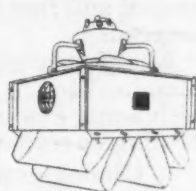
Moderate heights. Square areas.



Moderately low. Long, narrow areas.



For high locations over oblong areas.



Moderately low. Long, narrow areas.

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AND THERE WAS METAL TO MELT

TONS of metal to be melted, combustion needed that would never vary under any circumstances. There were other things too, such as production, fuel costs and the like to conjure with. The place was the Alemite Die Casting Company, Chicago; the system selected was Kemp.

With Kemp in at Alemite Die things began to happen. Adjustments by operators at the machines and furnaces were no longer necessary. These operators now devote all of their time to production. No more costly mistakes in the air and gas mixture at burners are possible. Kemp is Automatic—always correct in air and gas mixture.

The quality and uniformity of the products cast have improved. Labor and supervision have decreased, rejects have been reduced, working conditions improved and fuel costs substantially lowered.

Kemp is a good investment to Alemite Die. Kemp is adaptable with equal efficiency to all process heating operations.

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NEWS OF ORGANIZED BUSINESS

By Willard L. Hammer



Kansas City Chamber of Commerce founded in 1887

"Association Management"

TO MEET the needs of officers and members of chambers of commerce and similar organizations, Henry F. Holtzclaw has written a book, "Association Management," (The Ronald Press Company, New York, \$2.50). The need for such a book is apparent to one familiar with the problems of associations.

Dr. Holtzclaw, who is a professor of commerce at the University of Kansas, assembles and outlines in concise form the procedure that has been found most effective for obtaining active and friendly cooperation among members, for getting constructive results, and for sustaining interest from year to year.

Dr. Holtzclaw discusses the organization of associations and emphasizes the work of committees, telling the advantages of both standing and special committees. His discussion of the qualifications and duties of a chamber secretary is particularly good.

As regards financing—an all important subject to chambers, for many have been discontinued and others have sharply curtailed their activities for lack of funds—Dr. Holtzclaw argues that membership dues should be the main source of income. He contends that the rate of dues should be determined by the necessary activities rather than let the activities be curtailed by an arbitrarily set rate of dues.

The book, in our opinion, is well worth the consideration of chamber of commerce workers.

Chambers and Lunch Clubs

SOME chamber of commerce secretaries have complained that luncheon clubs encroach upon chambers of commerce, weaken the chambers' influence, curtail their activities, and reduce their reve-

nues. Others, however, assert that the clubs fill a definite need in the community, create good timber for chamber activities, and help the chamber materially in carrying on its program.

A statement from the Commercial Organization Department, National Chamber of Commerce, says that "there is no menace to the chamber of commerce in the luncheon club *per se*. The danger is in failure to coordinate the work of the luncheon club with that of the chamber."

In an effort to help secretaries worried by the luncheon clubs, the Commercial Organization Department has prepared a pamphlet, "The Chamber of Commerce and the Luncheon Club." Copies are available to secretaries on request.

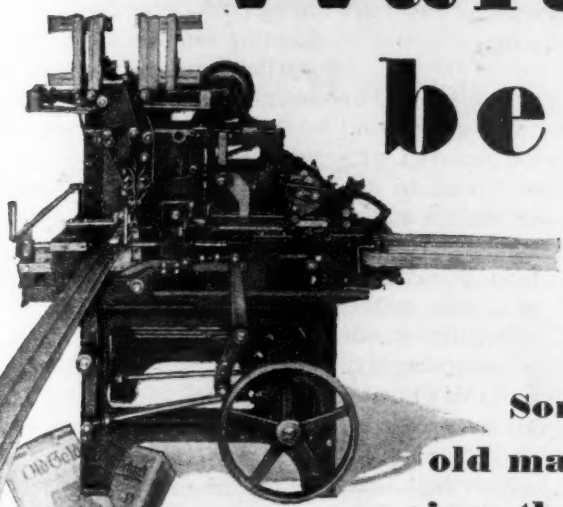
Saying It With Music

SOMETHING novel in community advertising is reported by the Buffalo Chamber of Commerce. The Chamber is financing a symphony orchestra which during the summer months is broadcasting weekly concerts over an international hook-up. Announcement periods between the presentation of the musical numbers are devoted to brief descriptions of the city's civic, cultural and industrial life. Twenty American stations and six of the largest Canadian stations are included in the hook-up.

The programs are being financed by the Chamber from its regular national advertising appropriation. No special funds are being solicited for the work.

A committee of the Chamber reported that the competition between cities for industrial growth has resulted in a great flood of advertising designed primarily to appeal to the manufacturer. The Chamber feels that any advertising campaign designed to attract either

Waiting may be costly...



Sometimes it is costly to wait for old machines to wear out before realizing the savings and better wrapping more modern machines will give you.

MANY of the packages you see on sale are being wrapped on machines of ours 15 to 20 years old—yes, and some may be older.

We take pride in this long life of our machines. Yet we must, at the same time, point out to such manufacturers that vast improvements have taken place within the past ten years. New machines now available have such decided advantages over older models that in many cases a manufacturer is losing money if he does not use them in place of the old machines.

For example, our new toilet soap wrapping machine does 150 cakes per minute. This is just about twice as fast as the older machines can do. Twice the speed means cutting floor space and labor costs in half.

The standard carton wrapping machine formerly wrapped only 40 packages per minute. Our new model does 70 per minute—14,000 more per day, with the same amount of labor. In a year this means a saving in labor equivalent to the former cost of wrapping 4,200,000 packages.

In a growing business the greater productivity of new machines often makes it unnecessary to build a new addition to the plant—less money tied up in buildings.

Often our new machines also make decided savings in wrapping material—only a few inches per package perhaps, but when multiplied by the thousands or even millions of packages wrapped in a year, the savings amount to important sums.

In businesses where costs in general are rising, the savings made by more modern wrapping machinery are a large factor in maintaining the product at a popular selling price. This is especially important with 5c, 10c and 25c sellers.

We will be glad to discuss your packaging problems with you, and give you the benefit of our recommendations. Get in touch with our nearest office.

PACKAGE MACHINERY COMPANY
Springfield, Massachusetts

New York: 30 Church St. Chicago: 111 W. Washington St.
London: Baker Perkins Ltd., Willesden Junction, N. W. 10



JOHN HANCOCK SERIES

You Need Not Pay the Price

THE loss of a valued executive is always costly, involving expensive adjustments.

If it is safeguarded by a Business Life Insurance policy, which provides funds to meet post-mortem contingencies, your business need not pay this price.

Whether you are an executive in a large corporation, a partner in a firm, or the sole owner of a business—you will be interested in our booklet, "Business Life Insurance for Executives."

Send for your copy.

INQUIRY BUREAU

John Hancock
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

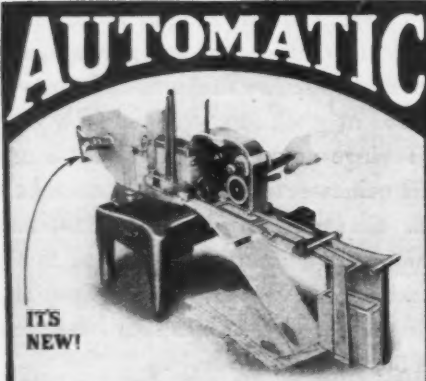
197 Clarendon Street Boston, Mass.

Please send booklet, "Business Life Insurance for Executives."

Name

Address

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OVER SIXTY-FIVE YEARS IN BUSINESS



ITS
NEW!

NO more slow hand-feeding of envelopes into an addressing machine one by one! — Get a demonstration of this wonderful new popular-priced addresser. — It automatically feeds envelopes into itself as fast as you can turn the crank.

DOES A DAY'S WORK
IN 5 MINUTES

Four times faster than other addressing machines of similar size and price.

For complete information and a FREE BOOK on Direct-Mail Advertising, pin this ad. to your business letterhead and mail to us.

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144 Albany St., Cambridge, Mass.

Any article in this number of NATION'S BUSINESS will be reprinted for you upon request at actual cost to us.

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population or industry to a community must stress not only the economic advantages of the city but also its cultural attainments and its desirable living conditions.

With this in view, the Buffalo Chamber financed the symphony orchestra and the radio advertising.

Plural Memberships

Two years ago the Chattanooga (Tenn.) Chamber of Commerce voted to dispense with plural memberships and, to make up for the revenues thus lost, to initiate an activities fund. Subscription to the activities fund carries neither vote nor courtesy memberships to officers of the firm making the subscription.

It is the experience of this Chamber that anyone who carries a courtesy membership card, as did officers of the firms holding plural memberships, takes far less interest in the work of the Chamber than the person who invests his own money for a membership. Also the variation in income from the activities fund is smaller than that from the membership dues.

Products of Frisco

THE Junior Chamber of Commerce of San Francisco thought that San Franciscans did not know what was being made in their own city—that the city's industrial position was not fully appreciated by its own citizens.

The Junior Chamber decided to teach San Francisco about itself by a San Francisco Products Week. A feature of the week was extensive window displays by approximately 100 retail establishments in the exclusive shopping district. These establishments exhibited the products of hundreds of San Francisco manufacturers in their windows.

Other exhibits were arranged to show the size of the city's bank clearings, domestic and foreign shipping, and wholesale business.

The week was such a success that it has been made an annual affair.

Chamber Shows Profits

SOMETHING NOVEL in chamber of commerce reports, we believe, is that recently published by the Petersburg (Va.) Chamber. It is customary for chambers to report how many factories or other improvements have been gained under the stimulus of the chamber.

The Petersburg Chamber instead has analyzed its work and translated it into dollars and cents. The report gives the total result of the year's work as \$529,-

619.18. This is divided among the Agricultural, Traffic, and Industrial Departments, which are credited with 117, 6, and 406 thousand dollars, respectively. The industrial figures, for example, are arrived at by the increases in the public's purchasing power through locating families and finding jobs and by the increased payrolls of successful industries obtained.

Though not exact, we think this an interesting way of approximating the effectiveness of a chamber.

Studies Highways

TO OBTAIN an up-to-date picture of the present status of the highway business, the National Paving Brick Manufacturers' Association appointed a committee of impartial engineers to make an investigation of the general economic status of the urban and rural highways of the country.

That an industry wanted and sought an impartial study of itself is worthy of note. The report, moreover, is interesting in its treatment of the problems of roads and road building.

Coming Business Conventions

(From information available September 1)

Date	Place	Organization
October 1-7	White Sulphur Springs, W. Va.	International Association of Casualty and Surety Underwriters.
1-7	French Lick Springs, Ind.	National Wholesale Druggists' Association.
7	New York	American Institute of Marine Underwriters.
7	Picher, Okla.	Tri-State Zinc and Lead Ore Products Association.
7	Cleveland	Association of Limb Manufacturers of America.
7-8	Salt Lake City	Western Division, Chamber of Commerce of the United States.
7-10	Montreal, Canada	National Stationers Association.
7-10	Indianapolis	National Association of Mutual Insurance Companies.
7-11	Louisville, Ky.	National Restaurant Association.
7-11	Chicago	National Tent and Awning Manufacturers Association.
8-9	Indianapolis	Federation of Mutual Fire Insurance Companies.
9-11	Cleveland	Direct Mail Advertising Association.
10-15	Columbus, Ohio	Fall Conference, Chamber of Commerce of the United States.
13-18	Quebec, Canada	Investment Bankers Association of America.
13-19	Washington	American Paint and Varnish Association.
14-16	New York	National Association of Manufacturers of the United States.
14-18	Atlantic City	American Gas Association.
14-19	Minneapolis	Laundryowners National Association.
15-17	New Orleans	American Railway Bridge and Building Association.
15-17	New Orleans	Bridge and Building Supply Men's Association.
20-23	Milwaukee	National Association of Commercial Organization Secretaries.
21-23	Toronto, Canada	International Association of Ice Cream Manufacturers.
22-23	New Orleans	Southern Logging Association.
23-25	Cleveland	National Association of Farm Equipment Manufacturers.
24-25	Chicago	Audit Bureau of Circulation.
28-30	Atlantic City	Mayonnaise Products Manufacturers Association of America.
28-31	Chicago	Life Insurance Sales Research Bureau.
28-31	Washington	National Association of Marble Dealers.
29-30	Boston	New England Milk Producers Association.

Bring the quiet of the SPHINX to your office

Johns-Manville Sound Control
Methods can Stop the Fagging,
Nerve-destroying pound of
Noise

RINGING bells, clattering machines, loud conversation, doors banging, the roar of traffic—sound, incessant sound—every second of the business day pounds at the nerves of every worker be he president or clerk. Thought is diverted, errors are made, work is slowed down. The fact that such conditions are constant makes no one truly hardened to them. Nervous energy will stand much but every day the strain increases.



Roger Babson says, "Noise is on every employer's payroll." This is the truth. To tolerate noise is costly—and it is also unnecessary. J-M Acoustical Engineers can end excessive noise in offices.

Yet this endurance of noise is unnecessary. It is merely habit to suppose that there can be no relief. Johns-Manville Office-quieting Treatment can end excessive noise. In thousands of offices this marvelous system is abolishing as much as 80% of all the noise.



Johns-Manville

SOUND-ABSORBING TREATMENT



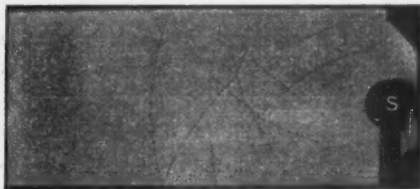
Sound is a Physical Force and can be Controlled

While sound is invisible, it is a definite, measurable physical force. The disturbing, nerve-destroying jangle known as noise is aggravated by the multiplying and overlapping of sound waves which rebound from the hard walls, floors and ceilings of modern buildings.

Careful study and years of research, proved and tested, are the basis of Johns-Manville's service of Sound Control. Ceilings and walls are scientifically treated to absorb proper quantities of sound waves, so that echoes and reverberations are literally smothered and an amazing degree of quiet and calm is formed.

Hospitals Silenced Too

In hospitals noise is, if anything, more unendurable than in offices. In fact, in this day of excessive noise, with the modern science of sound control available, it is barbaric to allow the reverberating clamor so common

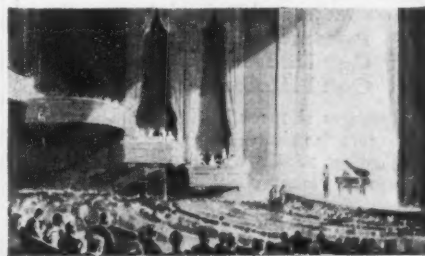


This is a photograph of a model of an auditorium floor plan showing the actual propagation of direct and reflected sound waves produced by a single, short, sharp sound at S. It shows perfectly the confusion resulting from the accumulative effect of sound waves reflected from the walls.

in hospitals. Johns-Manville Acoustical Engineers have ended excessive noise in leading hospitals throughout the country.

Proper Auditorium Acoustics

Most important auditoriums constructed during the past 15 years have been benefited by helpful advice from Johns-Manville Acoustical Engineers. With the advent of the talking motion picture Johns-Manville Acoustical Treatment has been of the utmost importance in sound film studios, and in providing proper acoustics in cinema theatres that were not originally designed for the audition of speech.



Every type of auditorium, church, school or theatre must be acoustically correct to be useful. J-M Acoustical Engineers have corrected poor acoustics in hundreds of auditoriums and can do so for you.

Wherever you work, whatever you do, Johns-Manville Sound Control Treatment can add enormously to the comfort of yourself and your associates.

We welcome inquiries and without obligation are glad to discuss any problem relating to the acoustics of room interiors.

JOHNS-MANVILLE CORPORATION
New York Chicago Cleveland
San Francisco Toronto
(Branches in all large cities)

I am particularly interested in J-M Acoustical Treatment as it applies to—

Banks . . . Hospitals . . . Churches . . . Offices . . .

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Address _____



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ARMORED, indeed, against cash losses, mistakes and misunderstandings, is the business that protects itself by recording every detail of all initial transactions with the EGRY COM-PAK Autographic Register.

This simple and economic device issues from 2 to 6 copies simultaneously of any form—in the handwriting of the maker—certifying to all the facts of a transaction *at the time it is made.*

The EGRY COM-PAK provides an infallible means of check and control on

Cash or Charge Sales
Delivery Receipts
Production Operation
Shipping Records
Credits and Refunds
Payments on Account
Cash Disbursements
Cash Balances

In garages, shops and all industrial plants, it offers the simplest and best means of following repair work, parts making, assembly, labor costs, material requisitions, shipments, etc.

The EGRY COM-PAK has 32 separate and distinct uses, applicable to any line of business—*manufacturing, wholesaling or retailing*—large or small.

Constructed of high grade steel, with all operating parts heat-treated and precision-made; sides of durable bakelite; beautiful in design and finish.

Write for details as to how this fine register can give profit protection and long, trouble-free, record-making service in **YOUR** business.

THE EGRY REGISTER COMPANY
Dayton, Ohio

EGRY
COM-PAK
AUTOGRAPHIC REGISTER

When writing please mention Nation's Business

Bureaus and More Bureaus

(Continued from page 44)

gotten that permanence for a governmental agency usually means expansion also.

The problem presented by these independent establishments was recognized by the Joint Committee on Reorganization which, in its report to Congress in 1924, declared:

"The independent status of most of these organizations is completely justified; but there are some which do work that lies in the same direction as the work of certain of the executive departments. So far as practicable these should be abolished and their duties combined with those performed by the departments having the supervision of members of the President's Cabinet."

Why in the wrong place?

THE opinion expressed by the Joint Committee suggests an inquiry as to why Congress did not allocate these independent establishments to the proper departments in the first place. It is an obvious question with an obvious answer. Congress did not so allocate them because, when these establishments were created, Congress did not have the information upon which to make such allocations intelligently.

The Joint Committee spent many months in a thorough survey of the entire field of executive activity and, after all of that effort, admitted that "the independent status of most of these organizations is completely justified."

If the Joint Committee with all of its background of investigation and knowledge reached that conclusion, there seems little reason to criticize Congress because a few of the independent establishments might, more properly, have been made parts of the ten major departments.

While Congress was creating the numerous independent establishments set up in the past 16 years it was also establishing many more bureaus and divisions within the ten great departments. Some of the outstanding examples in this class are the Bureau of Customs and the Bureau of Prohibition in the Department of the Treasury, the Aeronautics Branch of the Department of Commerce, and the Women's Bureau and the Bureau of Naturalization in the Department of Labor.

From time to time it has been suggested that some machinery should be provided to insure an effective central-

ized control of the entire executive establishment. It has been argued that there is particular need for machinery of this nature to bring about proper coordination of the activities of the various independent establishments.

The Constitution makes the President responsible for the management of the executive branch of the Government but it is obvious that it is physically impossible for any President to maintain an intimate touch with the widely diversified operations of this far-flung organization.

The President's time is taken up with the formulation of major policies, with matters touching important legislation, with the conduct of international relations, and the appointments of thousands of federal office holders each year.

He has little time for careful attention to the innumerable and voluminous reports which pour into the executive offices from the departments and other parts of the executive machine.

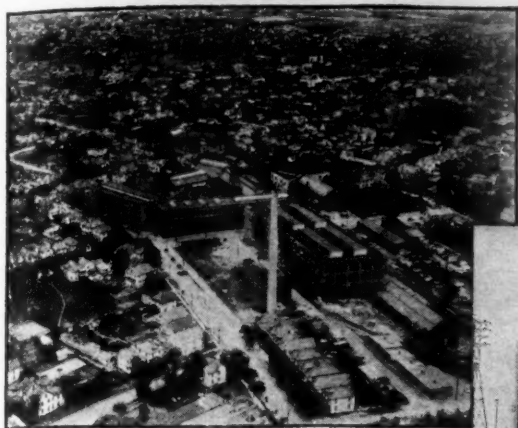
This situation is responsible for the plan, advanced from time to time, of giving the President an executive assistant who might relieve him of much of this detail work. The plan has its merits, although our governmental structure imposes some limitations upon the practical working out of such a project. After all, in practice, such a system would amount to little more than an expansion of the President's secretarial staff because under the Constitution, Congress could not transfer any of the real powers of the President to another governmental officer.

Staff alone could help

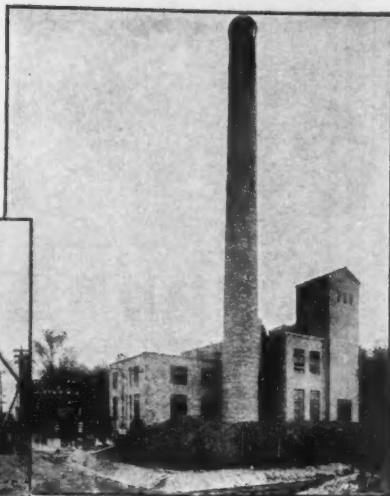
HENCE, in the last analysis, the President would have to make all important decisions although, of course, his work might be facilitated in this respect if he had a highly capable assistant to coordinate the material brought to his attention. As a matter of fact, the President now has a highly efficient secretarial staff and if that staff should prove inadequate there is little doubt that Congress would be willing to authorize any reasonable increase.

It is difficult to understand how Congress can go further than that unless it should initiate a constitutional amendment to provide for the election or appointment of an Assistant President who would be vested with some of the powers now possessed by the President.

The fact that it is now recognized

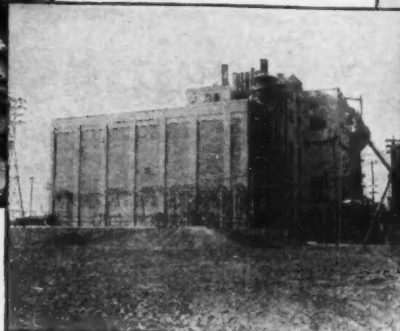


GULF STATES STEEL COMPANY
Power Plant
Alabama City, Ala.



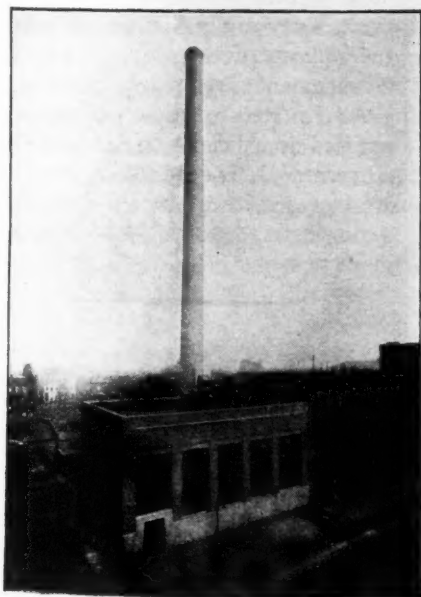
INTERNATIONAL HARVESTER CO.
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Fort Wayne, Indiana

INTERWOVEN MILLS
Power Plant
Martinsburg, W. Va.



Industrial Power

Experience of specialists available
for the power problems
of industry



KNOX HAT COMPANY
Boiler Plant
Brooklyn, N. Y.

ALMOST every manufacturer has some kind of power problem. His present power plant may be obsolete and inefficient and require modernizing or complete replacement. Or perhaps he could effect savings by purchasing power instead of operating his own plant.

In industries where steam at various pressures enters into the process, power can be obtained at low cost as a by-product.

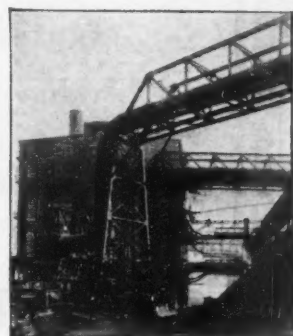
Where such by-product fuels as blast furnace gas, saw mill waste, etc., are available, the power problem requires special consideration.

In many cases, certain processes should be electrified for lowest cost operation.

A study and report by competent and experienced engineers alone can point the way to the best solution of each problem.

In this connection, this organization has studied the power problems of several hundred companies in many lines of industry. Based on these studies we have recommended the purchase of power, the rehabilitation of an old power plant, the construction of a new one to supplant the old, or the electrification of certain processes, depending upon the particular situation.

We are prepared to handle every phase of a power problem from the preliminary study to the design and construction of the finished plant. All parts of the work are executed by our own organization, which means one central control, smoothness and speed.



YOUNGSTOWN SHEET AND
TUBE CO.
Power Plant
Youngstown, Ohio

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Setting forth the economic value of a complete enterprise, American Appraisals are made to include sound values of the physical property plus an analysis of all factors indicative of the value of the *business* as well as of its tangible property.

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Put a useful, convenient and distinctive article of everyday, personal use into the pocket of each of your prospective buyers

... and when he is in the market for your product he will unfailingly think of you! Kelley & Hueber's handsome leather *new currency wallets* are just the right things to accomplish this business-getting end and now is the time to do it ... while the idea is as crisp and fresh as the new bills themselves!

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NATION'S BUSINESS
Washington, D. C.

that the executive branch has grown so large and complicated that coordination of effort is difficult should make Congress chary in the matter of setting up new executive agencies. Once established, such new bureaus remain.

The Federal Farm Board, organized to promote the orderly marketing of surplus agricultural commodities, undoubtedly will remain as a part of the executive machinery a hundred years from now. Probably by that time it will be working on the problem of stimulating production to meet the demands of the domestic market instead of worrying about what to do with surpluses. But it will still be a part of the governmental setup.

There is no doubt that the task of checking the growth in the number of executive bureaus is exceedingly difficult. The same may be said of any attempt to reorganize the existing executive machine to bring about economy and efficiency, but the objectives make the effort worth while.

More than the possible saving of hundreds of millions of dollars is involved. The American people do not want an extravagant government, to be sure. But if their own conduct of their private affairs is a fair indication of their preferences, neither do they want a government so miserly that it becomes inefficient. They are willing to pay well for the upkeep of the Government if the Government gives efficient service.

As a matter of right the people are entitled to efficient service from their Government. They should be given that kind of service even if it necessitates a thorough reorganization of the present machine.

What of the People Who Won't Fly?

(Continued from page 26)

cents a mile rate, the trip on this line can be offered at \$60, a fair but by no means moderate rate.

The possible revenue then presents itself in the following form:

		Monthly Income			
		Cancel			
Passengers	Monthly	10 per cent	Net	per trip	Receipts due to Weather
6 at \$60	\$37,441	\$33,696	\$13,292		
5 at \$60	31,200	28,080	7,676		
4 at \$60	24,960	22,464	2,060		
3 at \$60	18,271	16,849	Loss	3,555	

There is no need to carry the scale below three passengers on each daily trip, as this figure, when the \$20,000

monthly operating cost is figured represents a net loss of \$3,555.

So it becomes apparent that the line must find an average of four passengers for each flight to show a profit. Most of the airlines are having difficulty finding those four passengers. When the volume of traffic is reduced to such a small figure, it becomes obvious that it is not very logical to attribute the dearth of business entirely to the 14 cent-a-mile rate, when the speed and the service rendered are considered. It is due to those larger and somewhat intangible conditions which make the nonflying public such a formidable problem in the present stage of commercial aviation.

Insurance risk hurts flying

AMONG these conditions is the attitude of the insurance companies. One of the first things a nonflyer, with dependents will, and of necessity must, think of when he is finally coaxed into a plane is his insurance policy. He has a loop hole in the "incontestable clause" if he is an old policyholder.

He has this advantage if his policy is two years or more old, but even if this be so, he cannot escape thinking and realizing that he is participating in something in which his insuring group has not the highest confidence and upon which it has not placed its seal of full approval.

An enormous amount of good could come to aviation overnight if all of the insurance companies could make a simultaneous announcement regarding the absence of "special risk" in flying. The change will come, but coming gradually it will lose the full effect which it might otherwise have.

A peculiar thing about the nonflying public is that it has sent its dollars flying in manufacturing projects, the products of which it will not itself step into. If all of the holders of rather doubtful air stock could be persuaded to exchange their share certificates for a plane ride, flying would be materially advanced in this country. In many instances it would be a more than fair exchange.

But the American public, which has seen the automobile and the radio business rise up and walk away to success, seems to be determined to be in on all possible financial success in aviation.

The effect of these failures on the nonflying public is a thing the business man and the man in aviation may well look to. For it will result in a sudden and quick congealing of the now loosely formed resistance that nonflying humans have set up against aeronautics throughout the world.



THE buyers of material handling equipment are for the most part level headed business men, not given to emotion when it comes to purchases for their business.

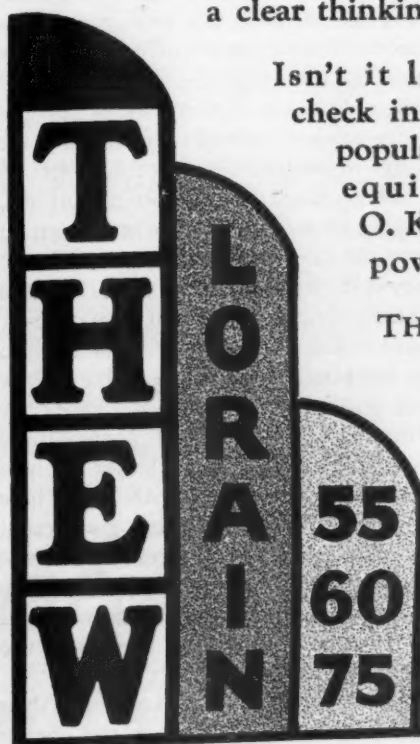
In view of this fact, it may safely be said that the steadily increasing sales of Thew Lorain power shovels and cranes means more than a mere stampede of the crowd.

On top of a sales increase of 231% from 1924 to 1928, more Thew Lorain machines are being bought this year than ever before. Here is evidence that Thew is delivering merchandise which is welcomed by a clear thinking progressive industry.

Isn't it logical, therefore, to check into the reasons for the popularity of this particular equipment before you O. K. the purchase of a power shovel or crane?

THE THEW SHOVEL CO.
Lorain, Ohio

Shovels-Cranes-Draglines-Back-
diggers - Locomotive Cranes
Gasoline, Diesel, Electric
or Steam Power



When writing to THE THEW SHOVEL COMPANY please mention Nation's Business

The Business Man Is Reading

By ETHEL CLELAND

Librarian, Business Branch of the Indianapolis Public Library

ANY experienced librarian can readily recall the time when business men ignored books or held aloof from them in profound distrust. In those not so far off days, libraries knew not the business man unless, quite apart from business hours and business circles, he happened to be a student or of a literary type of mind.

The detached attitude of the man of affairs in the past towards books in their relation to his daily life cannot, however, be severely criticised. There were few books of interest to business except ponderous volumes presenting the dry bones of economic or financial theory, some stereotyped or elementary text books and a group of works claiming to open up the way to rapid success in any line of business endeavor through the exercise of faith, confidence or what have you?

At that period business had not invaded the realms of knowledge, searching tirelessly through history, literature, travel, art and biography to discover facts of interest with which to embellish its advertising and encourage the wide distribution and steady consumption of its products.

Books were books, business was business and "never the twain shall meet" seemed to be the accepted formula.

An age of business books

BUT, rather abruptly, times and men and books and libraries have changed. Freely and unabashed, men now go to libraries for books and, notably, for books on business. This new literature of business is no longer dreary in appearance, dry in context and false in ideals.

Just notice the paper jackets. Once drab and sober, they now feature clever printing, striking designs, modern art and, above all, loads of brilliant color.

Of any inferiority complex, in fact, not a trace can be discovered in the bright, self-respecting modern business book. It plainly expects to attract attention, be bought at the book stores, borrowed from the libraries, carried home and placed on the living-room table on equal terms with the latest modern novel,

the newest hair-raising detective story, the latest magazines and the radio.

An almost universal easy-to-read-ness is one of the nicest things about the new business book. Publishers and authors must have combined in stressing a readability whose very informality strengthens rather than weakens, on the whole, the really serious purpose of these volumes. They read much the way a man really in earnest about something talks to a friend, eager to engage the other's attention and convince him, but taking great pains not to antagonize him by a too ardent enthusiasm, wearisome detail or unnecessary argument.

The formal, heavy tones on finance, economics and business have given way to clear, simple, interesting expositions of modern economic conditions and the industrial, financial and commercial trends of the day.

Today, where formerly there was little or nothing good in print, one finds large groups of books on such universal business topics as accounting, advertising, salesmanship, efficient management. There are books that tell the credit man how to collect money; the purchasing agent how to buy; the personnel manager how to select workers; books on the business budget, costs and managerial control; books to guide the inventory; books pleading for better business English and better business letters; books for the office worker; and so on over the wide range of modern business functions.

These, more than any others perhaps, are the books that lure the business man into the book store and induce him to buy a book; that lead him to the steps of the public library which he may never have trodden before; that persuade him to start a business library himself or put one into his office, or factory, or store, or bank, for his employees—these essentially practical books that tell how it has been well done by others and how you can do it yourself, that give actual detail, explain knotty problems, sound warnings at danger points, disclose the interrelations between processes and departments of business, these are the truly inspiring books.

As welcome as these, except that they have a smaller clientele in the library

and a narrower sales appeal in the book shop, are the books for one special type of business—banks, insurance, investments, department store, railroads, journalism, commercial art—an ever growing list as new forms of business arise and old forms expand. For years there was no book extant on chain stores and when one did appear, no winner of a beauty contest ever achieved a greater overnight popularity.

Psychology in business

ONE cannot stand long before a shelf of business books without finding that intriguing word "psychology" in a title—the psychology of business, the psychology of management, the psychology of advertising, the psychology of leadership, the psychology of speaking, and, most often, the psychology of selling.

Hosts of modern business men have found real profit and profound interest in the study of psychology and how to apply it to the problems of business. Granted that psychology is sound and the application wise and just, what ought to humanize business relations more than an understanding of one's own and one's fellow worker's mental processes?

And where can the biographer find more romantic subjects than in the world of modern American business enterprise? Here is still another type of "inspirational" book that can spur ambition by lively example rather than by out-of-date precept.

It all boils down to this—men didn't read business books formerly because there weren't any. One strongly suspects there wasn't the slightest need for business books in those far off days.

But the present need is recognizable and is urgent on him who wants to keep up with the fast-moving stream of modern business. The books on business are here, growing better in quality and timeliness each year. Publishers are issuing them, book stores are selling them, libraries are loaning them and active business men, especially the newer generation trained in new methods, often graduates of the new schools of business administration, are reading them.

LIVES WERE AT STAKE!



HENCE AMERICA'S PRINCIPAL AIR
LINES ADOPTED THAT MOST ACCU-
RATE OF ALL FORMS OF COMMUNICA-
TION . . . THE TELEPHONE TYPEWRITER



With the aid of the Telephone Typewriter and the radio, leading air lines now keep their pilots closely advised as to the condition of the weather into which they are flying

With the advent of air transportation systems there arose a need for the instant and accurate transmission of the storm warnings on which the safety of air passengers so greatly depends.

So Boeing, Universal, N. A. T. and other leading air lines, as well as the Airways division of the United States Department of Commerce, took a tip from the railroads and adopted the Telephone Typewriter. They use it for flashing storm warnings to radio stations, from which they are broadcast to the pilots, and for dispatching their planes with railroad-like efficiency.

Just as the air lines and railroads employ the Telephone Typewriter to prevent loss of life, so is modern business using it to prevent loss of time. All over America it is speeding up production for large and small corporations alike.

Teletype . . . the Telephone Typewriter . . . is the only device that sends typewritten instructions by wire. Depress-

ing a key on the sending machine causes the receiving machine to print that letter . . . instantly! As the sender sees what is being printed by the receiving machine, errors in transmission are virtually impossible.

By means of this remarkable device a typist in your office can send typewritten instructions to any part of your factory, or to far-removed branches, warehouses or factories, at the rate of 60 words per minute. Machines can be used in either direction, making it possible to send a message and receive a reply immediately.

A distinct advantage of Teletype is that it provides a typewritten record for filing at both ends. Thus it combines the speed and convenience of the telephone with the authority and permanency of the printed word.

Telephone Typewriter service is not expensive and will pay for itself repeatedly by eliminating errors, doing away with messengers and hastening the flow of business. Mail coupon for further details.

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Ford Motor Company, Detroit
New York Central, Pennsylvania,
Southern Pacific and other railroads
Detroit Edison Company, Detroit
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Radio Corporation of America, New York
Roosevelt Hotel, New York
Bank of Italy, Los Angeles
American Radiator Company, Chicago
General Electric Company,
New York and Chicago
Brooklyn Union Gas Company, Brooklyn
Standard Oil Company, Chicago
Crane Company, Chicago
Bonbright & Company, New York
Armour & Company, Chicago
Consumers Company, Chicago

TELETYPE

THE TELEPHONE TYPEWRITER

MAIL FOR FURTHER FACTS

For full information concerning the Telephone Typewriter and its cost, sign this coupon, pin it to your letterhead and mail to the TELETYPE CORPORATION, 1400 Wrightwood Ave., Chicago.

Name.....
Position.....

When writing to TELETYPE CORPORATION please mention Nation's Business

Widen the Circle ...

Let the people
in the *rear* seats
H E A R



EQUIP a convention hall or large dining room with the Western Electric Public Address System, and you enable the entire gathering to hear the speakers with equal ease.

This product of the telephone amplifies sound and distributes it to all sections of a crowd, indoor or outdoor, and to any number of rooms desired.

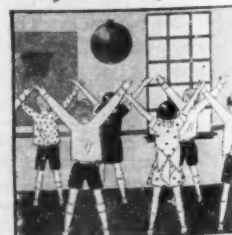
More and more hotels are turning to the Public Address System as a means for making their meeting rooms more popular. It is moreover a medium of economy because it permits

a single orchestra to play at the same time in restaurant, grill, lobby, and everywhere else that loud speakers have been installed.

The apparatus which thus "widens the hearing circle" is made with all the skill and care which have so long characterized the manufacture of telephones and communications apparatus by Western Electric. It is clear toned, faithful in reproduction, dependable, modern. It has a wide variety of uses and is made in sizes to fit every need.



Healing by music—a service of the Public Address System in hospitals.



One of many interesting uses of Public Address in the schoolroom.

Western Electric

PUBLIC ADDRESS SYSTEMS

DISTRIBUTED BY GRAYBAR ELECTRIC COMPANY; OFFICES IN 72 PRINCIPAL CITIES



COOK AND GROMLEY, CHICAGO

Styles have changed in both cattle and dress in the last 50 years, as this International Live Stock Exposition photo shows

The Bluegrass Turns to Bluebloods

By PAUL H. HAYWARD

THE slogan, "More and Better Live Stock," is one that's frequently heard wherever and whenever cures for the farmer's ills are discussed.

But in Kentucky the slogan is more than a slogan. It has been translated into action and has become a vital, aggressive force in carrying Bluegrass agriculture—and as a natural result the state itself—along the road of progress.

How has this been accomplished? Thinking business men of every state now struggling with similar agricultural problems will find something of value in the answer to this question.

The intelligent business men of Kentucky figure largely in that answer. They saw that the much-used—and sometimes abused—slogan of "More and Better Live Stock" held an idea which offered economic salvation for their rural brethren who were being engulfed in the morasses of poor crops, poorer prices, and deepening debt. It doesn't detract from the credit due these business men that they foresaw a time when that same morass would threaten them did they not extend a helping hand to the farmers.

So was launched, as a principal part of a major agricultural movement, the

campaign for more and better live stock in the state, a campaign which was waged with the intention of ridding Kentucky of scrub stock.

One of the principal weapons in the campaign was the "Pure-bred Sire Special" or, as it was more familiarly known in the rural districts, "The Bull Train." This "bull train" was a practical farmer-aid proposition organized through the efforts of R. W. Searce, secretary of the Agricultural and Live Stock Improvement Association of the Louisville Board of Trade.

Hard work paves the way

SCEARCE put in two years of constructive thought and hard work on the project before it was actually launched in 1927. He visited many counties of the state and had innumerable conferences with business men, breeders, bankers, farmers, and editors.

Prominent breeders of the state were asked to contribute animals for the launching of this modern crusade, pure-bred sires that would be exchanged at the various stops to be made by the "bull train" for scrub stock. The breeders responded nobly to the call, each with a registered sire which was worth

several times as much as the scrub sire for which it was eventually exchanged. Some of these breeders, enthusiastic over the success of the movement, gave other animals that were needed before the "bull train" completed its itinerary.

The entire train that made up the 1927 "Pure-bred Sire Special," together with its special equipment, was furnished gratis by the Louisville and Nashville Railroad. The railroad also sent its agricultural department heads along with the train and had one or more of its high officials on board the special at all times.

The Kentucky Bankers Association was another business organization enrolled under the banner of "More and Better Live Stock" and the Association's agricultural committee representatives did yeoman duty, aided by the county agents and business men's organizations, in preparing welcomes at each stop the train made.

The first "bull train" got under way late in April, 1927, making its first stop at Shepherdsville on April 25. A three-weeks' tour followed, ending at Brandenburg on May 12, during which most of the state was covered. Advance publicity produced crowds of from 500 to 5,000 persons at each of the towns visit-

repays original cost every year

"Mopping alone would not keep our floors in their present excellent condition," reports the Hotel Lincoln, Indianapolis. "To approach it without machines would require the full time of 4 men mopping, or 7 to 9 women scrubbing. So, the FINNELL SYSTEM saves about \$1,000 a year over mopping and \$3,000 to \$5,000 over scrubbing. On the saving over mopping alone, the machines *buy their own supplies, pay their own repair bills, and more than repay their entire original cost every year.*"



The Hotel Lincoln management is strict about cleanliness because they know that guests regard clean floors as one of the first indications of good service. It is a fact of signal importance that they chose FINNELL SYSTEM to keep their floors up to the constant degree of cleanliness required.

A NEW STANDARD

In business establishments, factories, and institutions, a new importance is being attached to clean floors as a factor in employee morale and public respect. FINNELL cleaned floors are *actually clean*. It makes no difference what kind of floor—wood, mastic, tile, terrazzo, etc.—the FINNELL keeps them all in the best of condition. It *waxes, scrubs and polishes electrically*. There are 8 models to choose from—a size to exactly meet your needs. Have a FINNELL Engineer make a survey and recommend the size you should have. Write for information to: FINNELL SYSTEM, INC., 410 East Street, Elkhart, Indiana. District offices in principal cities.

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ed. A holiday was declared for the occasion in many of the towns.

Definite programs were followed at each stop. Farmers flocked to see the many exhibits carried on the special and to participate in the drawings for pure-bred cattle, poultry and swine, conducted by local agencies.

Practical talks on farm problems, and particularly those touching on animal husbandry and the value of pure-bred stock launched the program at the train itself. The exhibit cars were opened to the crowds which found further preachments on the gospel of better live stock in the displays themselves.

The car furnished by the College of Agriculture at Lexington, for example, featured posters proclaiming that "the market pays for quality." Typical market quotations on steers at Chicago were displayed to prove this and further evidence was provided in photographs of pure-bred butcher and feeder steers together with prices they brought.

Climaxing the program at each stop, one of the pure-bred sires donated by the leading breeders of the state was exchanged for a "scrub" sire—the latter to go to the slaughter pen, the former to take the scrub's place on the farm, there to introduce his superior blood strain into neighborhood stock.

State wins first place

THE principal result of the 1927 special's trip was the introduction of 3,000 pure-bred sires into Kentucky herds. Permanent organizations of farmers interested in live-stock improvement were effected through the impetus lent by the train's visit, the county agents carrying on most of the organization work. This brought Kentucky immediately to the fore as a "better sire" state, 3,492 Kentucky farmers pledging themselves to have only pure bred sires on their farms. The Bluegrass state's closest rival in the nation-wide "better sire" movement for that year was Ohio, where 2,983 farmers took a similar pledge.

The campaign lost none of its momentum during the winter of 1927-28 and the second better-live-stock train, operating under the name of the Kentucky Bankers Special, pulled out of Louisville the next spring on June 11 to crisscross the state. Fifty-seven stops were made in 51 counties by this train, and 70,000 persons visited it. A pure-bred boar or ram was exchanged for a scrub sire in each of these counties. The part the Kentucky Bankers Association's agricultural committee played in this 1928 campaign brought it recognition from the American Bankers Association as the most outstanding agricultural committee of any bankers' association in the entire country.

It was decided to skip operation of a "bull train" this year, but encouragement of the better-sire movement has been consistently continued. That the campaign is succeeding was evidenced by the unveiling of a bronze tablet at Morganfield, county seat of Union County, on July 12, of this year. Presented by the Louisville Board of Trade, the tablet commemorates the fact that the United States Department of Agriculture has designated Union County as the first in the United States to have only pure bred bulls. Similar tablets are to be presented to Russell and Taylor counties as the third and fourth in the country to eliminate the scrub bull.

Allies in the movement

HOW WELL industry and agriculture teamed together in this missionary effort is evidenced by the list of backers that made it possible. The Agricultural and Live Stock Committee of the Louisville Board of Trade is named first, inasmuch as it was the originator of the project. Other cooperating agencies were the Kentucky Bankers Association, the Kentucky College of Agriculture, the Kentucky Department of Agriculture, the Kentucky Department of Education, the Dairy Products Association of Kentucky, the Bourbon Stock Yards of Louisville, chambers of commerce and business men's clubs in the towns visited, the agricultural departments of both Louisville and Nashville and the Louisville, Henderson and St. Louis railroads, and leading live stock breeders of the state.

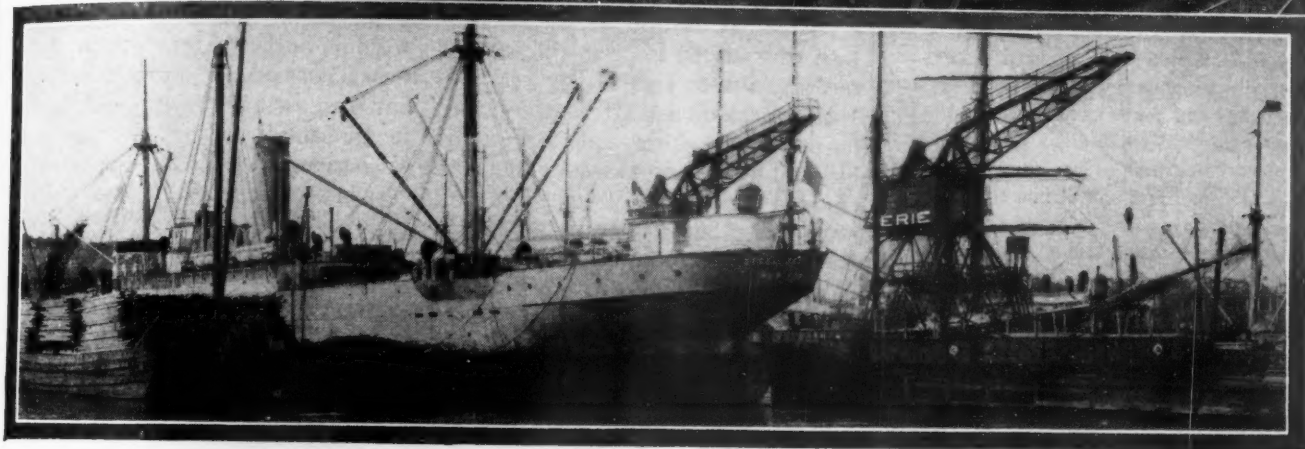
As an outgrowth of their cooperation in this movement, virtually every agency interested in agriculture, to say nothing of the cooperating business groups, were brought together in a way that has vastly promoted relations between town and country.

Sectional prejudices have been broken down in the effort for a united and scientific agriculture, and the state has learned a valuable lesson in cooperation and coordination.

Finally the movement has introduced better and more profitable agricultural methods into the various counties, has caused more and better production of pure-bred live stock with consequent improvement of business conditions, and has started definite programs in many sections that have enabled county agents, agricultural groups, local banks and transportation lines to work together in harmony.



Part of a great shipment of water pipe (at right)
Loading lumber at Jersey City (below)



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The Ethics of Lobbying

(Continued from page 52)

heard either in his own person or through a representative.

How, then, did that right come under a cloud? Only because of the abuse of it. Today the abuse has been mitigated. Today the desire of all intelligent business men should be that the abuse should be wholly exterminated and that the rightful and necessary profession of lobbying should be ethically completely regularized.

In the old days in Washington the man who wished to be a lobbyist proceeded, more or less, as follows:

He purchased a large diamond which he put in his shirt front. He put on his head a high and glossy top hat. His trousers were loudly striped. His coat, of the best black broadcloth, flapped about his knees.

Thus attired, he attempted to impress legislators with the prosperity which presumably would attend association with him. He also aimed to impress them with the gayety which would attend it. He was a competent guide to race tracks and to gaming tables.

At the gaming tables he had the obvious and childish trick of losing money to legislators. The only statistical information he carried with him was perhaps the numbers on his bank notes. He mostly knew nothing about legislation except that his clients wanted it either passed or stopped. He was an ignoramus and a low and sordidly corrupting one.

He's only a memory now

HE IS TODAY an evaporating reminiscence. A few legislators, for political purposes, still make speeches against him and still pretend that he copiously exists. He does not. He has been succeeded by a race of lobbyists who, in many instances, are rather distressingly similar to college professors of statistics.

There is many a highly successful lobbyist in Washington today whose only implement of persuasion is a brief case full of economic data so detailed and so dismal as almost to cause the observer to regret the disappearance of the reckless romancing of the lobbyist of yore.

Lobbying today is a sober and serious trade with a professional quality which is developing into greater and greater recognition and maintenance. It is also a quite spacious trade. There are today in Washington many hundreds of per-

sons who continuously are lobbyists for interests or for causes which sometimes are relatively small and sectional but which often are organized on a grand nation-wide scale.

The clients of these lobbyists are individuals, corporations, associations, committees, "leagues," "councils," industrial, commercial, financial, agricultural, humanitarian, reformistic, "pacifistic," "militaristic," anti-alcoholic, pro-alcoholic, redly radical, blue-nosedly reactionary, dedicated to the sublime freedom of the citizen, dedicated to the beneficent coercion of the citizen, dedicated to virtually every greed, natural or unnatural, and to every ideal, sane or insane, with which the American people are blessed or afflicted.

Amateurs swell the throng

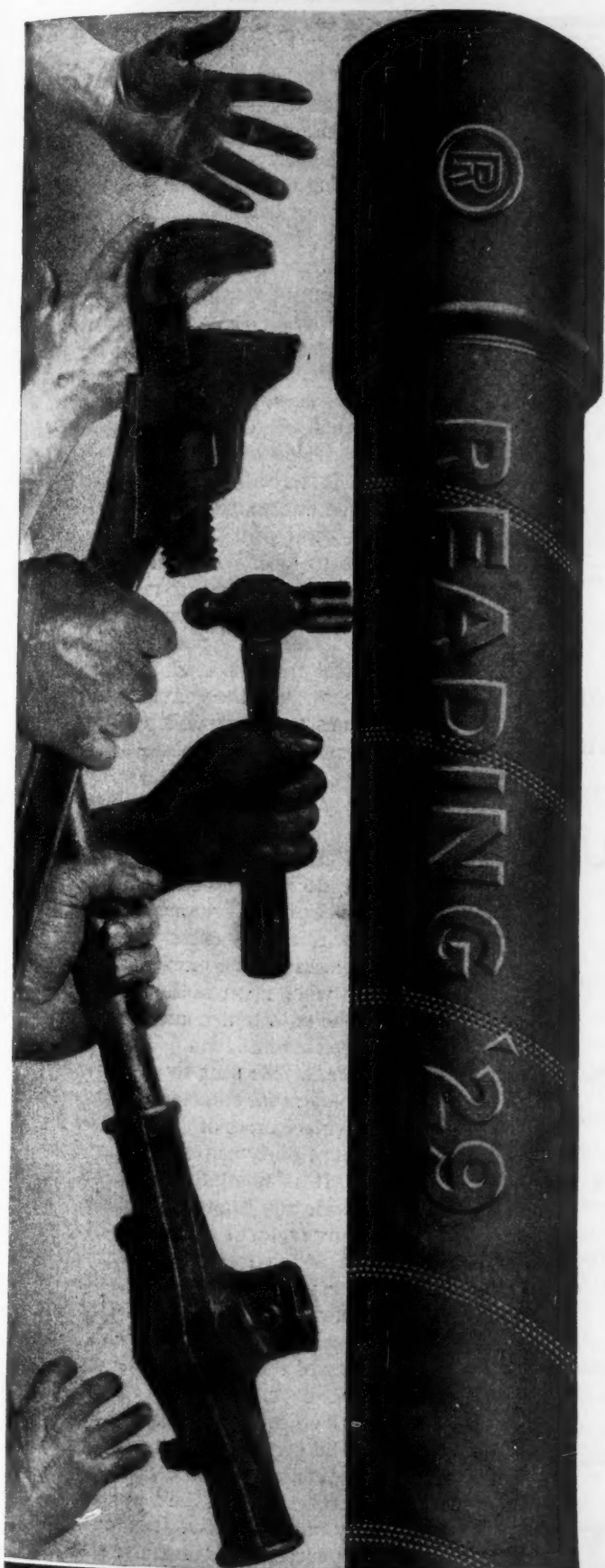
ADDITIONALLY, and on top of our hundreds of continuous lobbyists, there are thousands of citizens who, in the course of the year, arrive in Washington to be lobbyists intermittently or occasionally.

The discerning and the rigid maintaining of the ethical limits to their labors is a problem of the highest practical importance to the business community of the United States. Our business interests, if they would save themselves from wrongful damage, are widely under the necessity of having lobbyists in Washington. It is essential to the true success of those lobbyists in general that improper practices among them shall be discountenanced and that the reputation of the lobby, in the eyes of Congress and the country, shall be steadily advanced.

We have already noted that the members of the press galleries have a written code of conduct. No written code exists among lobbyists. Guidance nevertheless may be found in an observation of the practices of the most reputable lobbyists and in a consultation of what might be called the common conscience of the Capital.

Out of those sources, and not merely out of caprice and individual invention, we may lay down a few general principles as follows:

1. It is unethical for a lobbyist to seem not to be one. It is unethical for him to represent an interest or cause without letting it be known that he represents it. He cannot ethically occupy himself in persuading Senators or Representatives or Cabinet officers to



Hands—Hands—Hands— 5-Point Pipe Keeps Them From Costing You Money!

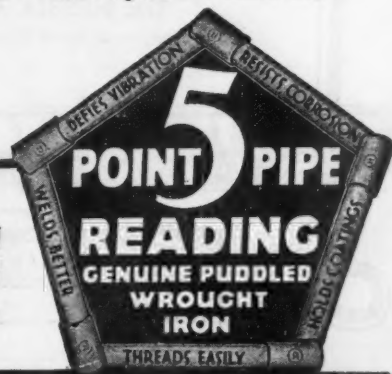
The life of inferior pipe is just a succession of "hands"—"hands" that tinker with it—"hands" that repair it—"hands" that replace it! Reading 5-Point Pipe keeps these costly hands away because it's the kind of pipe that "stays put"—from three to five times longer!

Only superior pipe material gives service like this. The secret of 5-Point Pipe endurance is Genuine Puddled Wrought Iron, produced by forcefully working together pure pig iron and rust-defying silicious slag inside a flame-filled furnace and double welded for extra strength. This is the time-tested way of assuring complete pipe dependability. You'll find that Reading 5-Point Pipe is truly moderate in price—insist on getting it.

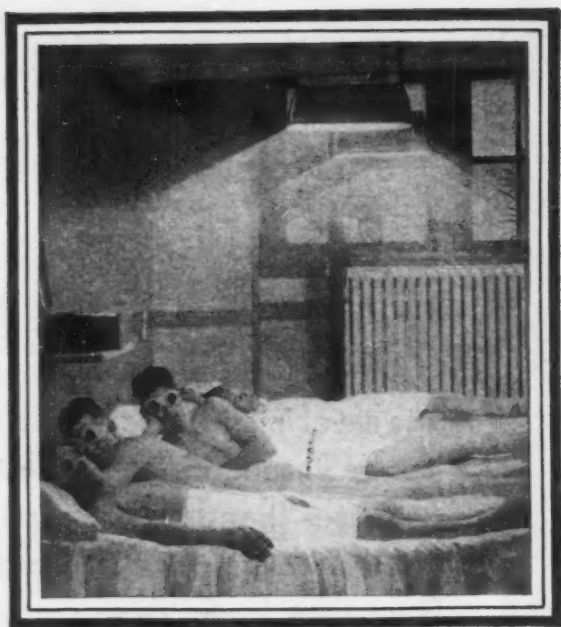
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There is no quicker or more enjoyable way to attain that buoyancy, that back-to-boyhood feeling which the average business man, who is a little out of condition, so desires.

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You will see physicians—men who know what is what in health matters, but who have little leisure time—there with the other members in the ever popular Burdick Solarium room at the Illinois Athletic Club, the New York Athletic Club, the Penn Athletic Club, the University Clubs and others of standing.

But if your favorite club has not installed the lamps, with their famous, exclusive features, please use the coupon to obtain facts of interest to you and to the club.

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take a favorable view of a given interest or cause when they think he is speaking out of friendship and when he in fact is speaking for pay.

There is no ethical escape from the proposition that no lobbying for pay must be surreptitious and that all such lobbying must be open and known.

It would follow that it might be highly advisable that members of the lobbies should be registered, even as members of the press galleries are registered. If those who set themselves up to be mere historians of Congress are registered and listed, why should a similar degree of publicity be inappropriate for those who set themselves up to be the advisers of Congress?

2. It is unethical for a lobbyist to carry the entertainment of public officers to a point putting them under obligations to him. Direct bribery of public officers is nowadays so rare in Washington that, while it constitutes an occasional scandal, it does not constitute a general problem. Undue entertainment, however, and the weaving of social obligations about a public officer, still too frequently may be observed.

A plan that defeats itself

IT IS BOTH unethical and, for the most part, decidedly ill-advised. The number of public officers nowadays weak enough to be misled by entertainment is vastly exceeded by the number of public officers who, upon noticing the behavior of the entertainer, are profoundly prejudiced against him.

Large bills sent by a lobbyist to his employers for entertainment are usually indicative more of graft by him than of corruptibility of public officers.

3. It is unethical for a lobbyist to provide any branch of the Government or any organ of the press with information which is deliberately inaccurate. False propaganda can have no ethical excuse. Mendacious or misleading releases to the press are a deliberate poisoning of the well of public opinion and must be taken to be the lowest and most objectionable form of lobbying.

The corrupting of the intelligence of the public is a more basic wrong than the corrupting of the morality of transitory public officers. It is sometimes utterly successful. It remains a crime against citizenship; and the word unethical, while wholly inadequate to describe its nature, must be unhesitatingly applied to it in any lobbying code.

4. It is unethical for a lobbyist to ply the trade of lobbying for pay while he occupies any political position. He cannot ethically combine political pow-

er and the paid representation of an interest or cause.

He cannot do this for the same reason he cannot be simultaneously a lobbyist and a journalist. He must not be able to use his journalistic power or his political power to advance the interest or cause by which he is employed.

The journalist, as we have already seen, is forbidden by the rules of the press galleries to be a lobbyist. The person holding a political position in the organization of any political party should equally be forbidden—by common moral consent—to be a lobbyist.

Mr. Lenroot's lobbying

THE CASE of former Senator Lenroot would fall under none of the four condemnations here detailed. Mr. Lenroot was openly a lobbyist; he attempted no social personal pressure upon his former colleagues in the Senate, but only public argument before them; he disseminated no false information; and he occupied, while he was a lobbyist, no political position whatsoever.

It cannot even be truly said that, as a former Senator, he would be especially influential in his public open arguing with his former colleagues. If there is any fact notorious in Washington it is that every Senator, in a body of 96 members, has about 95 jealous critics.

The mere act of lobbying by anybody is wholly in itself legitimate. The moral problem is in the methods through which that act is performed.

Speaking positively instead of negatively, the lobbyist should be (a) open and known, (b) a dealer in data and not in dinners, (c) a purveyor of truth and not of falsehood, and (d) nonjournalistic and nonpolitical.

Such would be the four main primary rules of an ethical code of lobbying. I believe they are already observed by the great mass of lobbyists in Washington. They are not counsels of perfection. They are ideals which have been found to be conducive to success.

When these rules are obeyed, the legislator or administrator, instead of being able to denounce the lobbyist as a corruptor, has the positive duty to listen to him as an informant; for, as Elisha Hanson, who was Mr. Lenroot's partner during Mr. Lenroot's practice of the law in the Capital, has aptly, in summation of the whole matter, said:

"The legislator or administrator who would enact a law or apply it without hearing information from both sides is as unethical as the judge who would decide a case without hearing argument from both sides."



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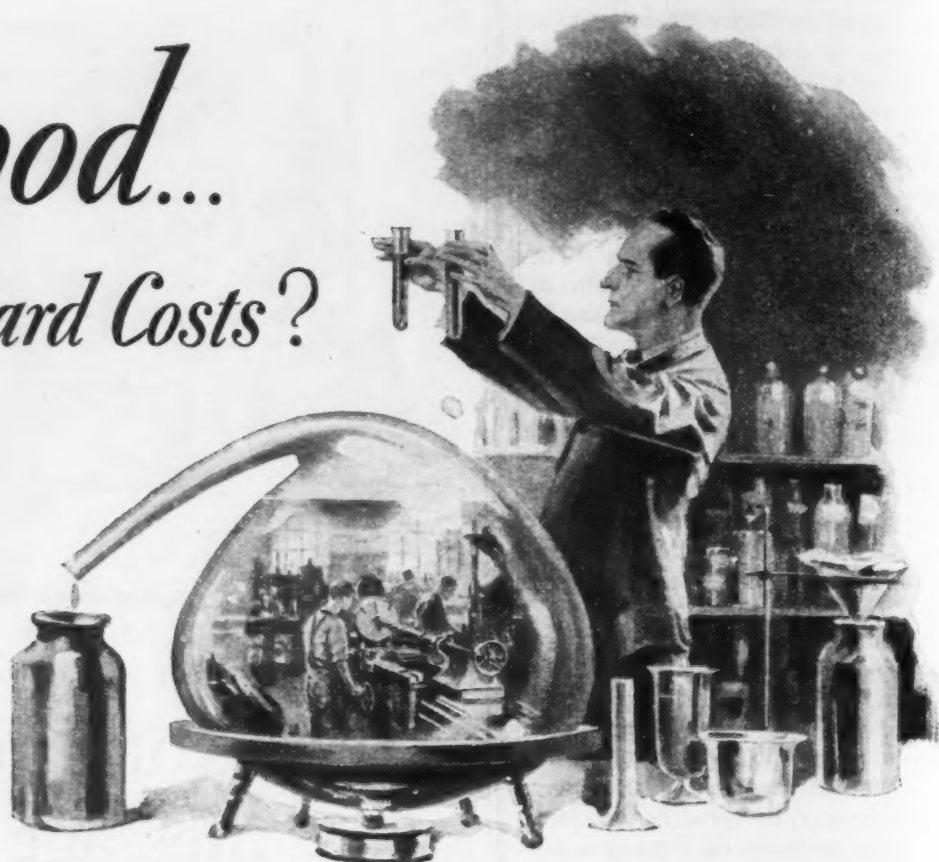
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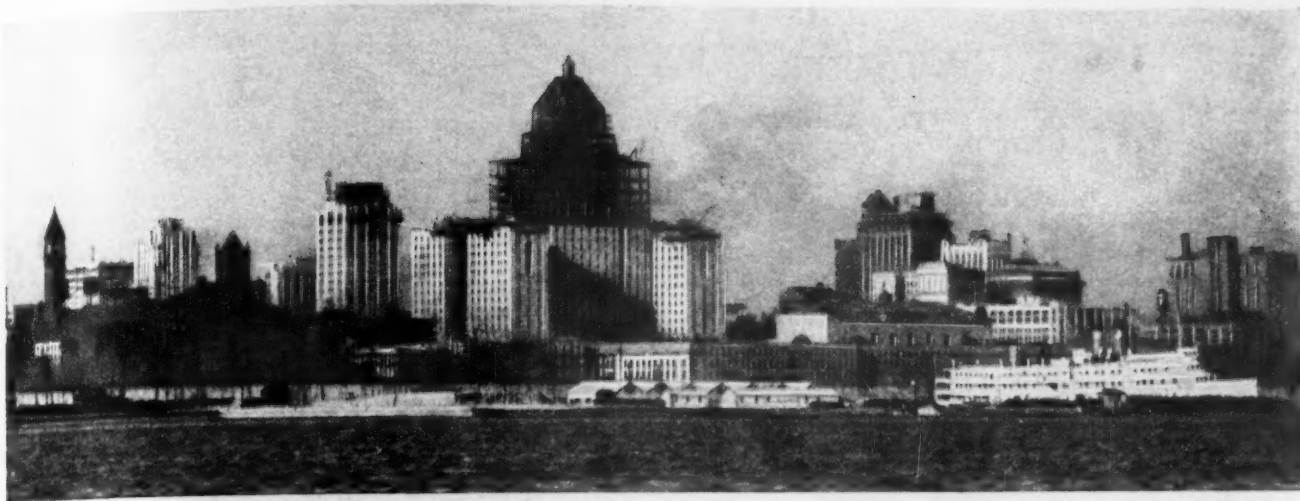
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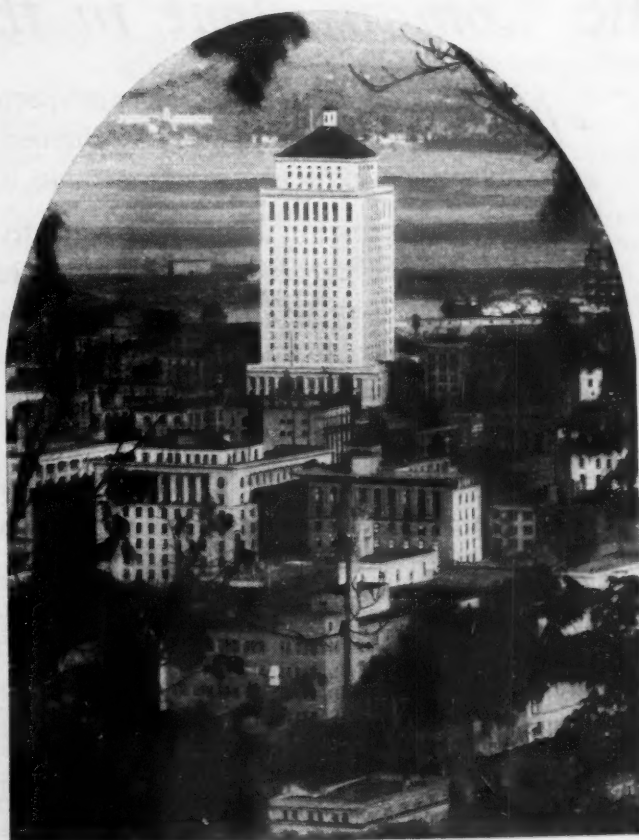


The impressive Toronto skyline. The tower in the foreground is the Royal York Hotel

JAMES, TORONTO

Canada Adopts the Skyscraper

By JAMES MONTAGNES



The Royal Bank Building, first structure in Montreal to rise above 130 feet but only a forerunner of several other buildings in that city that will surpass this height

IN 1818 John Doel, an Englishman born in Somersetshire, came to Canada from the United States. In 1827 he built, in what is now the northwest corner of Adelaide and Bay Streets in Toronto, a two-story frame dwelling and brewery. This he operated till 1847, serving part of that time as city councillor.

Later a hotel was built on this site. Today a 16 story yellow brick-faced skyscraper stands there, a modern office building with 96,000 square feet of floor space.

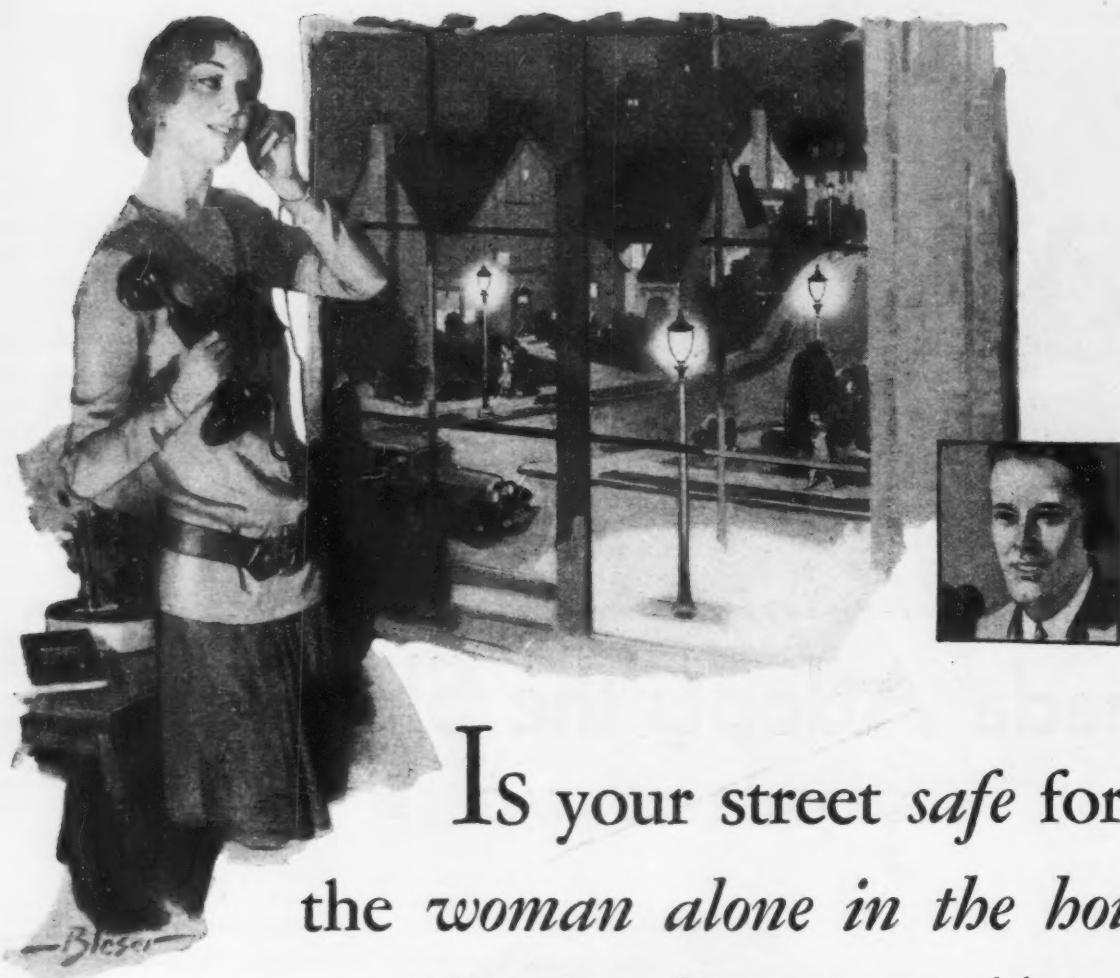
This structure, the Northern Ontario Building, is typical of the change being affected in downtown prop-

erties throughout Canada. Where once stood humble homesteads or early frame city dwellings, skyscrapers now rear heavenward.

From modest ten-story structures to buildings ranging to 22 stories, the skyline of Toronto strives upward. The Banks of Commerce will have a 25-story building soon.

Seventeen stories is an average for buildings now going up.

At the other end of the Dominion, Vancouver is also fast becoming a city of skyscrapers. Two of its three big department stores are ten stories high and cover a city block. It has a number of hotels rising from ten to 15 stories



Is your street *safe* for the *woman alone in the house?*

AN evening conference, an unexpected business trip—perhaps your wife's frightened voice over the telephone expresses a terror quite unwarranted.

Why not summon Policeman Light to banish *fear*—and definitely reduce the chances of burglary? Isn't it time your community gave serious consideration to street lighting as a tried and proved investment, yielding rich returns both in civic progress and in public safety?

General Electric lighting specialists, working with your local power company, are ready at all times to aid in solving your community's lighting problems, and the G-E monogram is your assurance of quality in the materials and equipment installed. This same monogram appears on a multitude of electric appliances for home, office, and factory. It is an unflinching guide to electrical correctness and dependability.

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above the street level. The Bekins Building, its tallest structure, is 16 stories. Two banks have offices 13 and 15 stories high, while several other buildings reach 12 stories.

Contemplated and under construction are a 15 story medical building, another 14-story hotel, an 11-story stock exchange and a large office building.

Winnipeg has its quota of tall buildings. The Union Trust, Union Bank, McCarthy Building and Winnipeg Street Railway Building all rise more than ten stories above the street.

Canada's skyline is growing.

Farther west, Regina has the McCallum-Hill 12 story office building and the new Saskatchewan Hotel, 12 stories high. The Palliser Hotel in Calgary rises ten stories, and the Banff Springs Hotel at Banff, Alberta, 13 stories.

East of Montreal the Chateau Frontenac Quebec rises 17 stories.

Montreal at the moment has the tallest building in the British Empire. Its Royal Bank Building towers 393 feet above the ground. It is Montreal's first real skyscraper, and is the first office building in Canada to show a definite "set-back" architecture, like that used in nearly all tall buildings being built today in the United States.

The building occupies a city block.



Architect's drawing of the T. Eaton Company head office to be built in Toronto. The part outlined in white is under construction now

It is symbolic of nearly all of Montreal's office buildings. Its acreage is big. In that respect Montreal is unlike Toronto, where tall buildings frequently are quite narrow. The Metropolitan Building rises 315 feet on a site only 54 feet six inches by 150 feet ten inches.

The Royal Bank Building was the first step toward skyscraper construction in Montreal. City building regulations previously limited height to 130 feet. Thus, in Montreal large office buildings, with all modern equipment reach only ten stories high.

Following the Royal Bank Building, in Montreal, the Bell Telephone and the Sun Life Companies decided to add to the city's modernity by building skyscrapers. Both are now under construction.

Another example of massive skyscraper architecture is the head office of the Sun Life Assurance Company of Canada. On a space 217 by 430 feet will rise 21 stories of Canadian gray granite. When completed it will be surpassed only by the Royal York Hotel, in Toronto, the biggest construction proposition in the Empire. The Royal York will be the tallest building as well as the largest hotel in all the British Commonwealth. It will be 399.4 feet high.

The largest department store in the British Empire, the T. Eaton Company, Ltd., at Toronto, with branches in every city of the Dominion, has started building its head office which will occupy two

large blocks in the city. The building when completed will cover an area 500 feet wide and 660 feet long.

Meanwhile, Toronto sees more and taller buildings soaring upward; an 18 story hotel, a 17 story trust company building, and a 12 story apartment hotel are under construction.

Canada's development as a great commercial nation and a vast storehouse of natural resources has brought this building boom. There is little speculation about it. The buildings going up are being filled before completion.



The skyline of Vancouver, B. C., where the skyscraper is rapidly coming into its own and paving the way for a boom in Canadian development and prosperity

Business that Endures!

Back in the minds of all leaders in business—deep down in their hearts—is the question: "How long will it last—will it endure?" And always the satisfying answer is the answer to another question: "How *well*, how *truly* does it serve?"—an answer that is moral rather than material—an appeal to pride in character rather than gain or profit.

Business that endures is labeled today by the Character of its leaders. It expresses itself materially through all its human conduct—its enlightened management, its modern practices, its law of order, and the justice of its control.

In the forming and voicing of the methods and means through which enduring business expresses itself, Modern Accountancy justifies the belief in the helpfulness of its service—an enduring service to business that endures.

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If I Gave Way to Overselling—

(Continued from page 32)

for the shipments to come through. Regardless of all the advertising on Beechnut, I have found that my trade will buy other advertised goods or items of high quality just as readily—products that I can get within a few hour after ordering and that do not require special handling. Therefore, by selling direct, the Beechnut people have made it too inconvenient and expensive for me to handle their goods, and they have killed off business in my case.

From experience, I am convinced that anything the manufacturer does to disturb the kind of distribution that I must rely on is costly and depressing to his own business in the end. If half the money spent on trying to force goods on the retailer were devoted to cooperating with wholesalers in finding cheaper and better methods of distribution, I am sure that we would all be making more money and giving the public better service. If there ever was a time when manufacturers, wholesalers and retailers should be working together to trim waste, it is right now; but a good many of us seem to be getting farther and farther apart.

Unfair terms are fatal

TERMS that are unfair to the retailer are also killers of business. For instance, at one time my purchases of National Biscuit Company crackers and cakes were more than they are now, and in the meantime my volume has increased about 50 per cent. Then the Company practically had a monopoly, although its terms were never satisfactory to any but the largest retailers. Protests did no good. We thought we had to have the goods; "take it or leave it" seemed to be the firm's policy.

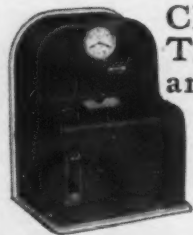
Well, when competing specialties came on the market a good many retailers tried them out and found that they sold as readily as N.B.C. goods. The Edgemont cracker people made an investigation to find out how the trade wanted the goods put up and a lot of other facts. Their goods are of excellent quality and have taken well. Cape Cod Cookies made a hit, and a number of other specialties of the kind, sold the way retailers want them sold, have gained quite a volume. The friendship and regard of the retailer are well worth the manufacturer's cultivation.

The many ineffective methods of

Bound Papers are Safe Papers!


ACCO FASTENERS protect important correspondence, orders, follow-up records, etc., against misfiling and loss, saving valuable reference time.
The inexpensive ACCO FASTENER, (two prongs on a broad base, with a lock compressor) firmly binds papers temporarily or permanently. Can be used wherever papers are filed. The first filing is the last!
Write for sample, giving dealer's name
AMERICAN CLIP CO.
Long Island City
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ACCO FASTENERS



CINCINNATI Time Recorders and Job Clocks

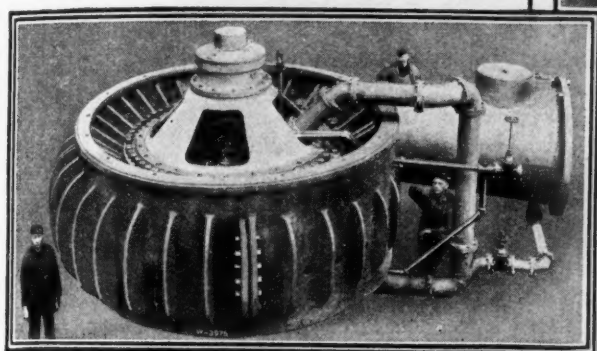
Over 32 years the choice of thousands of leading organizations. More than 50 models. Factory branches in principal cities.

The Cincinnati Time Recorder Co.
Dept. N, York and Central Ave.
Est. 1896 Cincinnati, O.

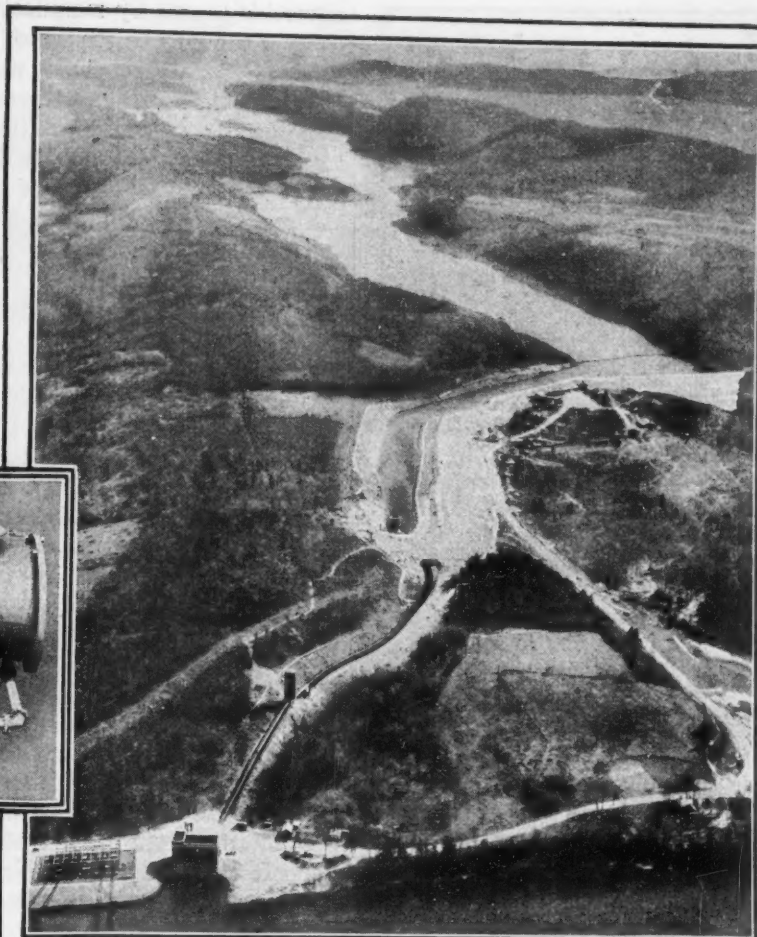
Cincinnati Telechron Time Systems Are Entirely Automatic. Plug into any A. C. Socket.
This advertisement appears regularly in leading magazines to keep the name of this Company before you. Write for information.

REPRINTS of any article in this issue may be had on request, at cost. Address Nation's Business, Washington

Pumping a River Uphill



One of the two 8,000 h.p. vertical centrifugal pumps built by Worthington for the Rocky River Power Plant . . . the largest, in point of horsepower, yet installed in America



Remarkable view from the air of the Rocky River Development of the Connecticut Light and Power Company at New Milford, Conn.

. . . a

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CONDENSERS
and Auxiliaries
DIESEL ENGINES
GAS ENGINES
FEEDWATER HEATERS
WATER, OIL and
GASOLINE METERS

✂

Literature on Request

EVEN in this rapid age, when achievements in hydraulic engineering are accepted as a matter of course, an exceptionally interesting installation attracts attention to its builders.

Take the Rocky River Project for instance . . . where the U. G. I. Contracting Company built, for the Connecticut Light and Power Company, a vast "storage battery" in the form of a reservoir of $8\frac{1}{3}$ square miles area and approximately 230 ft. above its water supply.

Water is pumped into the reservoir by two 8,000 h. p. motor-driven Worthington Vertical Centrifugal Pumps, each with a capacity of 112,500 gallons per minute. In recent tests by Professor Charles M. Allen, Worcester Polytechnic Institute, these pumps showed an efficiency of 91.9%.

The soundness of Worthington's solution to the difficult hydraulic problem presented, backed by a record of 89 years in pump building, was the determining factor in the selection of Worthington Pumps for this important project.

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Aviation and Unified Engineering

The economic reason behind the formation of such aviation holding companies as Curtiss-Wright Corporation, representing twelve outstanding manufacturing and operating companies may be found in the importance of unified engineering to the public's security in the air.

Unified engineering goes beyond plane and motor design. It includes the engineering of airports, the study of inherently useful transport routes, the uniform engineering training of pilots and mechanics, the testing of the finest instruments and equipment—in brief, every last detail that can increase the present high standard of security in regulated air operations. The key to both financial and operating success lies in nation-wide standards adopted and rigidly enforced by companies with national organization.

JAMES C. WILLSON & COMPANY

39 Broadway New York
Louisville, Ky.

Through close association with the corporate financing of Curtiss-Wright and Associated Companies, we are in a position to answer inquiries concerning this largest aggregate of invested capital in aviation.

Untangling the Government

William Hard's five articles on government reorganization have been printed in one booklet for Nation's Business readers

Price ten cents

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WASHINGTON, D. C.

When writing please mention Nation's Business

advertising used by manufacturers is another thing to be remarked. At one time, for example, couponing was good; but the public here, at least, is sick of it. Yet seldom a month passes that some manufacturer's representative does not try to induce me to stock his goods to the roof on the strength of a coupon campaign.

A campaign that failed

NOT LONG ago, the Crisco people canvassed the stores in our section of the city on a coupon proposition. I told the representative that it would be a waste of money; but he painted a beautiful word picture of the great increase I was going to have on his goods. They sent people to every door in my section to give each housewife a little sales talk and leave a coupon good for a ten-cent rebate on a pound can of Crisco.

My sales of Crisco amount to about 30 cans a week, and I did not notice any increase. Following the drive, just two coupons were brought to my store. Other grocers in my section have told me that their returns were about the same. It appears that the campaign was a flop, and I know of no quicker way to kill business than to waste money.

There are a good many selling plans that are equally costly and ineffective. Many manufacturers think only of immediate returns and overlook the future sale of their products and the necessity of making it easy for the retailer to sell those products. For instance, the Sauer Company has recently placed a salad dressing on our market. A local advertising campaign announced to the public that two jars of the product would be sold for the price of one for a limited time. I bought two cases, sold out in a few days, and ordered two more; but I know of several smaller grocers who ordered large quantities at the half price in order to get the extra profit at the regular resale price after the time limit had expired.

Here, again, the sole desire of the manufacturer appeared to be to load up the retailer, with no consideration for the real business—the resale. In the first place, we had some trouble in inducing customers to take two jars of a new product. If the goods had been advertised at the regular price and the loss on the cut price put into additional advertising, I am sure that the introduction of the new dressing would have been much more satisfactory, with the resale better established.

As it is, now that the introductory cut-price campaign is over, some customers say that the manufacturer must

be making an enormous profit on the product, since he could afford to sell it at half price. Others cannot understand why they have to pay twice the price they paid a few weeks ago. I believe the campaign made but few friends among either retailers or public.

All successful retail grocers realize the value of new goods. I will buy any product that is attractive, that does not conflict with established goods, and that promises to turn over rapidly enough to show me a profit. Like most retail grocers I know, I will take the time to introduce new goods; but I think I have a kick coming when a manufacturer causes me to spend my time in explaining or excusing his selling methods. Profitable business cannot be built up that way.

Another source of surprise to me is the large number of manufacturers who have killed their business in the local market by neglecting both their trade and their merchandising. Shaker Salt is a typical example. During the war we couldn't get any Shaker Salt, although it had been a wonderful seller. Other manufacturers who accepted government contracts took care of their trade as well as they could; but the makers of Shaker Salt did not, and I haven't seen a box of it for several years.

Old brands dropped out

SIMILARLY Durkee's Spices and a number of other excellent specialties under that brand have just about faded from our picture. In this case, as in numerous others, the manufacturer merely failed to advertise and merchandise his goods, and other brands gradually replaced them. I don't care how big the company is, let it neglect its merchandising and it will kill its business.

In the scramble for business, a good many wholesalers also appear to be stopping up rather than clearing out their only channel of distribution. During all my years as a retail grocer, the constructive, sound propositions I've had put up to me by wholesalers could be counted on the fingers of one hand, and frequently representatives of wholesale houses urge me to do things that I know would be fatal to my profits.

There is no doubt that my business is dependent on wholesale distribution, and I realize that every wholesaler must make a profit to be successful. I also know that my wholesalers cannot serve my business adequately and economically if I cause them losses. Therefore, it is to my interest to concentrate my buying and to buy in quantities economical both to myself and my whole-



They return to the desert

Just a year ago—last winter—they discovered the desert. Santa Barbara bound on the "Golden State Limited," a globe-wanderer had pictured for them a miracle in restfulness;—barely hidden from the steel path of their speeding train. Curious, they stopped at Palm Springs. There, and at neighboring Indio, they found unique hotels which had cheated and charmed the desert. They learned why, before them, fame-marked author, song-writer, financier, had sought out these oases.

Now they were returning to the desert. The reason? You will catch some part of

it in their stumbling phrases: "escape . . . vague peace . . . the open sky . . . winter sun . . . low-swung stars of the desert night . . . creaky, leathery song of the saddle . . . informality . . . tranquillity . . . a million miles from business . . . purple shadows . . . rest."

Stumbling phrases. But there is no mental mirage about the winter resorts of this Southern California magic desert. America has discovered the desert. Up from the Salton Sea it rolls its arid way and stops before the palmed oases close-nestled against Mt. San Jacinto.

In Southern Arizona, too, they have discovered, on high mesa, comfortable ranchos where life steps up to enjoy the dash, color and old-time spirit of the hard-riding, calf-branding, bronco-busting West.

Southern Pacific's GOLDEN STATE ROUTE, Chicago or St. Louis to Los Angeles, San Diego and Santa Bar-

bara, or SUNSET ROUTE, New York and New Orleans to Los Angeles and San Francisco (both routes through El Paso) directly and exclusively serve these distinctive resorts. Choice of two other great Southern Pacific routes broadens your return journey. You can see the whole Pacific Coast. No other railroad offers this choice of routes.

Hotels open from October to May. Reservations should be made well in advance. At Indio: La Quinta; at Palm Springs: Desert Inn, The Oasis, El Mirador.

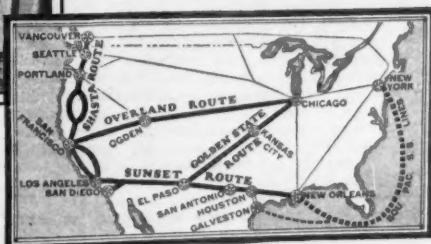
Noon-day's highest temperature averages 81°; nights average 45°.

Complete information in booklet—"Southern California Desert Winter Resorts." If an Arizona vacation interests you, you'll want "Guest Ranches of Arizona."

These books can be obtained by writing E. W. Clapp, 310 So. Michigan Blvd., Chicago, or H. H. Gray, 531 Fifth Ave., New York.



Rooms en suite . . . every refinement of travel comfort distinguishes these trains—"Golden State Limited," "Sunset Limited."



Southern Pacific

Four Great Routes

When writing to SOUTHERN PACIFIC please mention Nation's Business



HARRY A. FRANK*

WORLD TRAVELER
AND AUTHOR OF
"A VAGABOND
JOURNEY AROUND
THE WORLD,"
"WANDERING IN
NORTHERN CHINA,"
"EAST OF SIAM."



*On the road from Colombo to Rangoon
Ceylon — Philip Little*

Ceylon, Tropic Paradise

where your stay brings untold rewards

Round the World you go just as you choose. You make your own schedule and see what you want to see. Two years are permitted for the complete trip and within that period you have all the advantages of a private cruise on your own yacht. Your fare, including meals and accommodations aboard ship, as low as \$1250 Round the World.

Every week a palatial President Liner sails from Los Angeles and San Francisco for Honolulu, Japan, China, Manila and thence on fortnightly schedule to Malaya—Java 36 hours away—Ceylon, Egypt, Italy, France, New York and Boston.

Every fortnight a similar Liner sails from Seattle and Victoria, B. C., for Japan, China, Manila and Round the World.

Fortnightly sailings from Boston and New York via Havana and Panama to California and Round the World.

Magnificent Liners, they offer outside rooms with beds, not berths. Spacious decks. A swimming pool. Luxurious public rooms. A world-famous cuisine.

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When writing to AMERICAN MAIL LINE & DOLLAR STEAMSHIP LINE please mention Nation's Business

Ceylon, that egg-shaped island at the foot of India, swarming with nearly five million people, is almost imperatively a stopping-place on your round-the-world journey. Though a quarter of a century has flowed beneath the world's bridges since my first glimpse of the real tropics, I can still catch those "spicy garlic smells," the languid swaying of palm trees, the almost noiseless patter of bare native feet at the mere mention of this earthly paradise. Though I have seen a thousand other places on the tropical girdle of Mother Earth since then, Ceylon still holds a premier rank in my memory.

Colombo, chief port and modern capital of the island, will draw you ashore like a magnet. The soporific lure of its rickshas, pulled by mahogany-skinned men in scanty loincloths, the Singhalese hospitality, the always welcoming deportment of its gentle, amusingly respectful people . . . the men stepping gravely along, incongruous in skirts, their Psyche-knotted hair crowned with circle combs . . . the smiling, frank yet never forward women, whose precariously wrapped skirts and fore-shortened blouses never quite meet, bearing gracefully on their heads a woven tray of vegetables, an earthenware jar of water, and more likely than not an infant astride a hip, which is frequently soused, to its evident delight, under the stream of a city hydrant . . .

For with all its exotic charm and equatorial delightfulness Colombo is a modern city, healthful and well attended, with shopping streets to entrance those who covet material things of the East . . .

Harry A. Franck

salers. So I buy from two local houses and one in New York; it is the nature of their business that makes it necessary for me to split my business three ways. Since the size of my orders has much to do with the wholesalers' expense, I take care that those orders are for profitable quantities. I make them range from about \$60 to \$150.

These are facts that I have proved and tested, and it is clear to me that any wholesale grocer's salvation is to line up his customers the way I am lined up with my wholesalers. Yet wholesalers' representatives are continually urging me to split my business. They frequently offer me "specials" at cut prices, and will accept \$5 or \$10 orders, although we all know that orders that small create losses. Anything to get me started with them! Of course I recognize the bait. It's an old story, and I know that because the practice is wasteful and deceptive it tends to kill business.

The truth is that a great many manufacturers and wholesalers do not realize what they are doing. They are merely selling goods by the easiest methods, regardless of consequences. That's not merchandising.

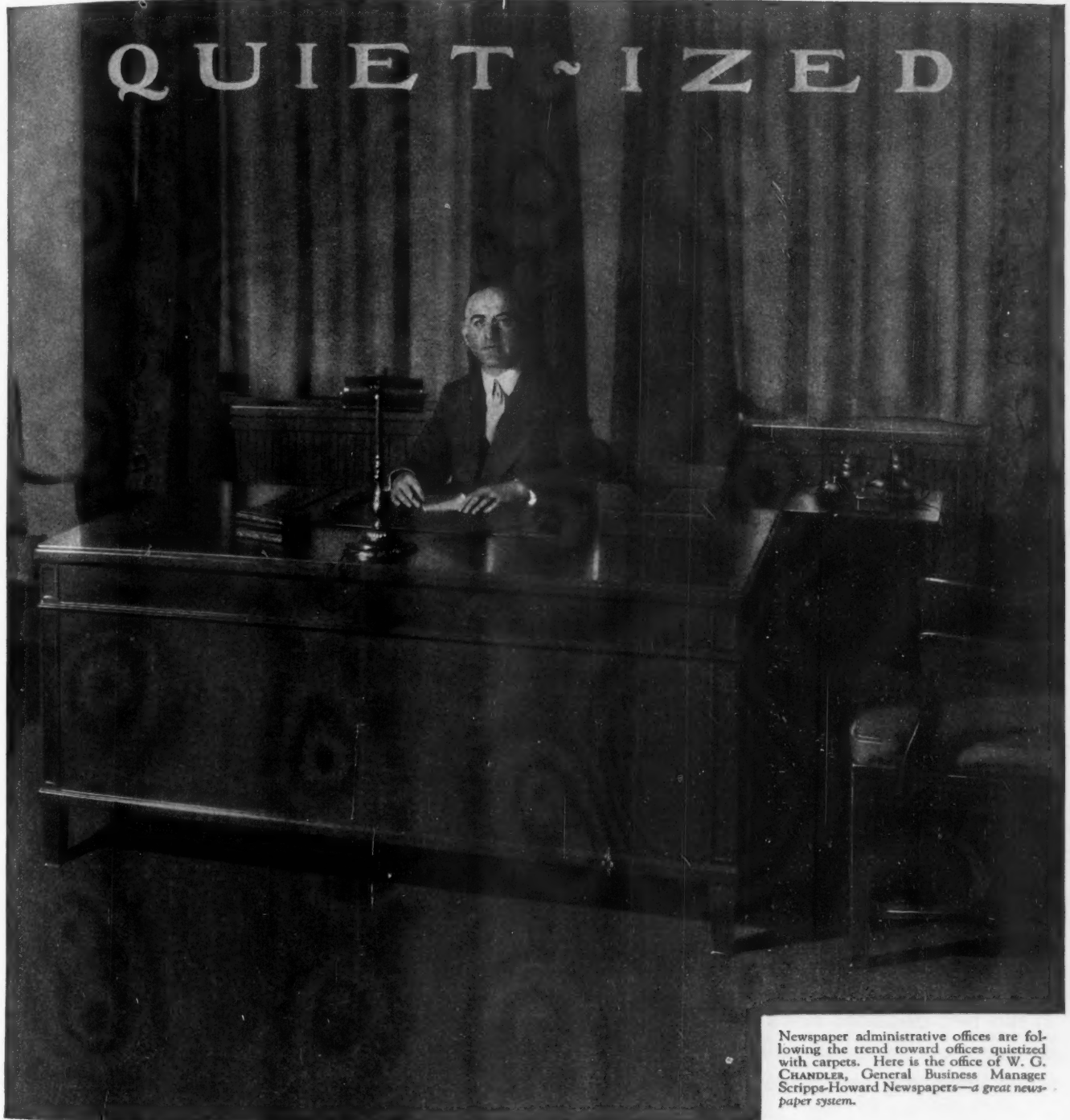
The wholesaler's function

AS I SEE the proposition, the manufacturer's main purpose is to get his goods into the hands of consumers as economically as possible, and the wholesaler's only excuse for existence is to bridge the gap between the manufacturer and the retailer in a manner that will allow both to serve the public properly.

The old-established method of distribution, from manufacturer to wholesaler to retailer to the public, has had some severe tests during the last ten years. Many thousands of retailers like myself, who depend on this form of distribution, have proved that we can survive in the face of mass competition because we serve a large part of the public the way it wants to be served.

As we prosper, manufacturers and wholesalers will prosper, and what we need above everything else is more goods of quality that are advertised sanely and merchandised on sound business principles. We are slowly getting more goods of the kind, and as their number grows we shall become more successful, because, for one reason, we will have more time to devote to our merchandising—time that is now wasted in resisting the practices of manufacturers and wholesalers that demoralize our business.

QUIET~IZED



Newspaper administrative offices are following the trend toward offices quietized with carpets. Here is the office of W. G. CHANDLER, General Business Manager Scripps-Howard Newspapers—a great newspaper system.

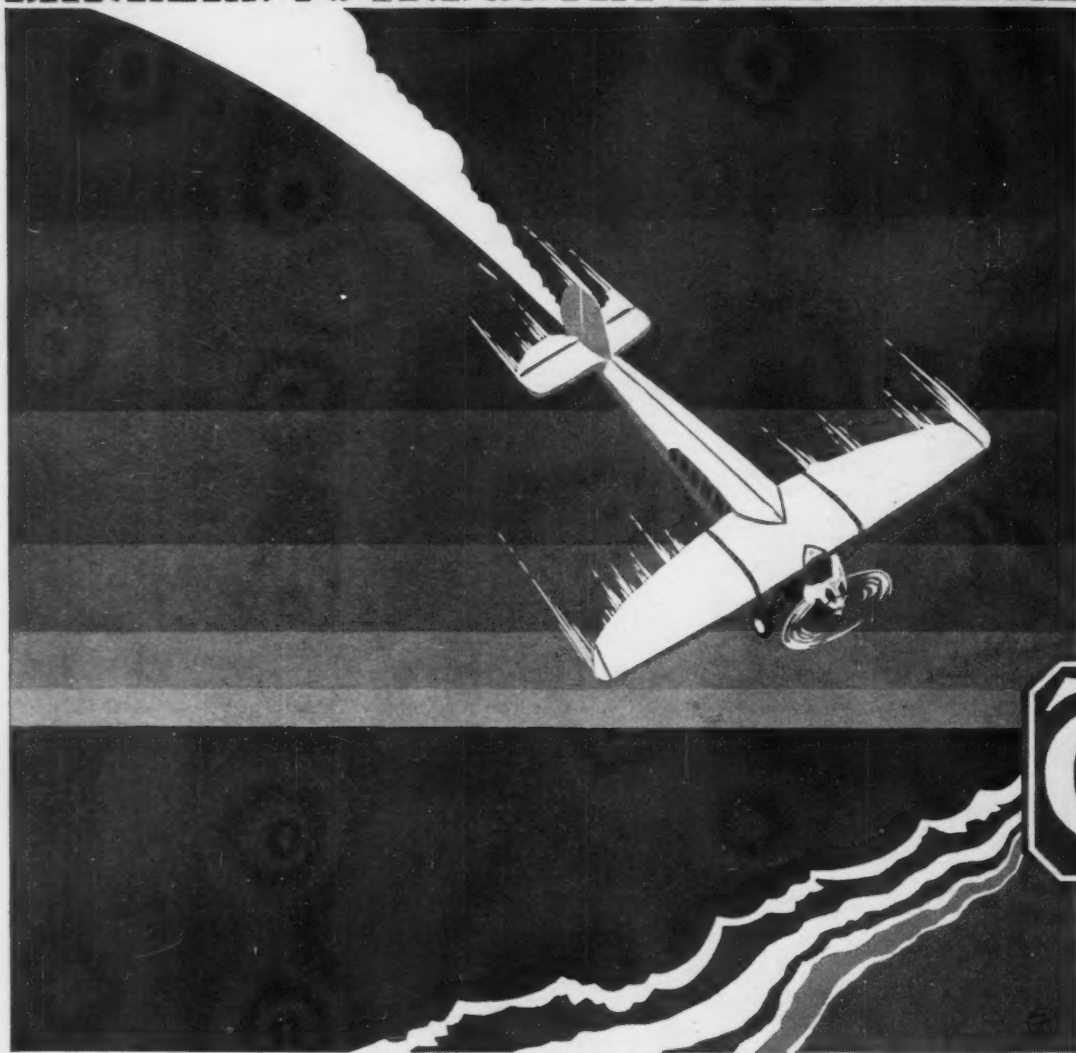
WHEN all is said and done, business men need above everything uninterrupted quiet for their best work. Yet in these days of pneumatic riveters, automobile horns, typewriters, adding machines and a hundred other noise-producing mechanisms within and without, quiet is not the easiest thing to secure.

"The principal secret of having quiet in work places," says Professor Donald A. Laird of Colgate University, specialist in the relation of noise to efficiency, "is to have generous amounts of noise-absorbing fabrics. Rugs and carpets are excellent noise absorbers."

Carpet the floor of your private office. Notice how, blotter-like, the woven fabric absorbs noise. Enjoy freedom from a thousand confusing and diverting sounds. You will then realize the investment value of *quietizing* the office floors of all your subordinate executives.

Mohawk offers a wide range of patterned and plain-toned rugs and carpets ideal for office use, where durability is essential. There is a Mohawk dealer near you, equipped to show you a complete line of samples and to lay Mohawk carpets upon your office floors. Why not consult him?

MOHAWK RUGS & CARPETS

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In the two decades since its founding, C. I. T. has repeatedly been called on to adapt its sales financing service to new industries.

No challenge has been refused that could be met without departure from the principles of sound banking on which this institution has been built.

And now C. I. T. Aircraft Finance Service has its place in the list of C. I. T. financing plans shaped to the sales requirements of more than 70 varied lines of industry.

Our Aeronautical Division is backed by the huge resources and world-wide service facilities of the C. I. T. organization. It has the advantage of exceptionally favorable arrangements by which the planes it finances are comprehensively insured against loss or damage. It serves the immediate needs of the aviation industry and is ready to meet each service requirement that arises as we move toward the air age.

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CORPORATION

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CAPITAL AND SURPLUS \$62,000,000

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What the World of Finance Talks Of

By MERRYLE STANLEY RUKEYSER

PERHAPS never before has the American business machine worked as efficiently and as productively as in the present period.

With no evidence of *opera bouffe* extravagance or symptoms of boom conditions, the dominant enterprises in the railroad, public-utility, and industrial fields have through the year established new peak records for output and net earnings. The economic machine under superb management has been roughly approximating an equilibrium, and the prophets who have been predicting a sharp let-down have been confounded.

Record earnings constitute no sign of abnormality in this country, where growth is a constant factor. The normal secular or upward trend of all business in the United States on the average is computed by statisticians at about three per cent a year. Free from labor disturbances, management is currently showing the fruits of the new application of scientific methods to industry and commerce.

A phase of this golden age in business has been the rapid generation of new capital. In the circumstances—and with the new tendency to invest in common stocks instead of bonds—it is not surprising that the demand for selected shares seems insatiable. In spite of the handicaps of a tangled credit situation, the security markets have paralleled business in setting new high records.

THE CHIEF concern of the Federal Reserve authorities with speculative activities has been the fear lest excessive absorption of credit in the security markets should have an adverse trend on business. Federal Reserve policy has of course had some effect in boosting interest rates, but the authorities have been desirous of ultimately getting lower interest rates for agricultural and commercial borrowers.

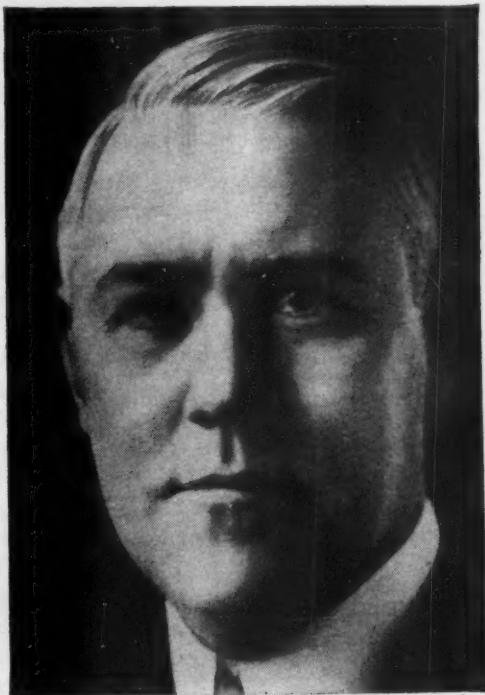
The attempt to discriminate in interest rates between "legitimate" and speculative borrowers was reflected in the announcement in mid-August of the new double-edged policy of the Federal Reserve Bank of New York. At the approach of the crop-moving period and the fall expansion in business, the Federal Reserve doubtless intended to put additional funds into the money market for seasonal purposes.

But with brokers' loans steadily rising to new summits, the Federal Reserve was eager to prevent the stock market from sucking up the additional funds which were intended for agriculture and business.

Accordingly, on the eve of the change in policy the Federal Reserve Bank of New York raised its rediscount rate from five to six per cent as a psycholog-

ical offset to the seasonal policy of releasing additional credit. Then, in order not to discourage business and agriculture by the rate increase, the Federal Reserve simultaneously reduced the buying rate on acceptances from $5\frac{1}{4}$ to $5\frac{1}{8}$ per cent.

This was tantamount to indicating that the Federal Reserve wanted to pump additional Federal Reserve credit into the market through the purchase of acceptances in the open market. Evidently the authorities wanted the credit expansion to come through the open market rather than through an increase in rediscounts, possibly feeling that in this way they could better prevent the taking of additional credit by banks which were at the same time increasing their loans to brokers, contrary to the desires of the Federal Reserve Banks.



KEYSTONE VIEW

ONCE a Canadian farm boy, George K. Morrow, at 56, now heads the United Cigar Stores Company of America. He became chairman of the board with the recent purchase of the huge chain by a group he headed. Involving some \$100,000,000, the deal was the largest ever negotiated in this field

WHEN speculators and investors stress the theme of mergers rather than the motif of earning power of corporations, operations are likely to be unsound in character. The question to ask about mergers is whether they will assure a larger per-share earning power for the enlarged corporation. It is fallacious to assume that such improvement may be taken for granted.

This is the age of mergers, and many of the combinations which have taken place have been successful from the standpoint of both stockholders and customers. But the mere idea of a combination does not automatically assure great riches. There have been unsuccessful mergers, too.

The National Industrial Conference Board, which has made an elaborate study of past mergers, concluded:

"A study of the business history of a large number of consolidations, based upon published financial statements covering a period from ten to 23 years prior to the war, and

The New York Trust Company

*Capital, Surplus and Undivided
Profits \$45,000,000*

FOREIGN
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BANKING

Fiduciary Service

100 BROADWAY
40TH STREET AND MADISON AVENUE
57TH STREET AND FIFTH AVENUE

upon the course of prices of their securities for a longer period, discloses that, by and large, these mergers did not prove exceptionally profitable. Some of them made high profits and grew in size and industrial importance correspondingly. But there were many that failed absolutely and passed out of existence. The majority did not achieve a conspicuous success as profit-makers.

"There is no means of knowing whether the financial record of these consolidations was better or worse than the financial record of business generally during the same period. But the study makes clear that industrial consolidations have not provided a safe, easy and sure way to business success.

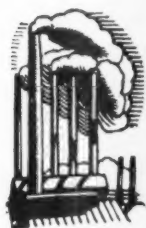
"In the popular mind the notable profit records of single large consolidations tend to be magnified. What is commonly overlooked is the fact that concerns like these represent the exceptions rather than the rule among consolidations."

THE NEW popularity of common stocks as long-term investments and the long cycle of bull markets are altering the thrift habits of the American public. Investors are becoming more venturesome. Even many of the investment trusts are tinged with speculative leanings. The more candid describe themselves as trading companies, rather than investment trusts, not seeking to hide the fact that their expected income will come from buying stocks low and selling them high as well as from dividends securities in the portfolio.

Perhaps the concept of speculative investment trusts is anomalous, but in practice it is becoming increasingly difficult to draw the line between investment and speculation. Technically, investment is concerned primarily with conserving capital, and speculation primarily with increasing the principal. The average man is looking for both.

A nonspeculative investment trust is the mutual savings bank, which in New York, for example, is limited to investments of the highest grade, including federal, state, and municipal bonds, first mortgages on real estate, and choice underlying railroad bonds. The savings bank limits its return to depositors to four and four and one-half per cent. If the investor wants only to conserve his capital, the savings bank is his best refuge. Where investment trusts contract to pay more than that, it is a reasonable assumption that they are dealing in more speculative securities.

It is perfectly legitimate for them to do so, as the great British and Scottish



1921-1929

The American Founders Group of Companies



DECORATIONS BY ROCKWELL KENT

CUT IN WOOD BY J. J. LANKES

WHAT is now the American Founders group of investment companies began in April, 1921. International Securities Trust of America was then formed "to invest, sell and reinvest [its] assets... in American and foreign bonds, stocks and other securities."

International Securities Corporation of America, the successor company, is one of four general management investment companies—often called "investment trusts"—included in the American Founders group. The group borrows its name

from American Founders Corporation, whose business was established in 1922 and which provides research service and investment supervision for the affiliated companies.

The American Founders companies practice systematic investment of their funds under active and careful management, which policy has brought better than average results.

Experience and research facilities extend to over thirty of the world's security markets and to every industry. In the principal markets the funds are distributed and re-

distributed, as safe and prosperous enterprises are found by the economics and investment departments of American Founders Corporation. The combined resources of the group exceed \$200,000,000.

Investment bankers and banks with security departments will furnish information and counsel concerning any of the investment companies that compose this group. Or it may be obtained from Founders General Corporation, 50 Pine Street, New York City.

THE AMERICAN FOUNDERS GROUP

Including

AMERICAN FOUNDERS CORPORATION

General Management Investment Companies

INTERNATIONAL SECURITIES CORPORATION OF AMERICA

SECOND INTERNATIONAL SECURITIES CORPORATION

UNITED STATES & BRITISH INTERNATIONAL COMPANY, LTD.

AMERICAN & GENERAL SECURITIES CORPORATION

◀ *Sharing the Prosperity of Many Companies, Many Industries, Many Countries* ▶

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SECURITY-FIRST NATIONAL BANK OF LOS ANGELES

A consolidation of Los Angeles-First National Trust & Savings Bank and Security Trust & Savings Bank, two of the oldest and largest banks in Southern California

J. F. SARTORI
President and Chairman of the
Executive Committee

HENRY M. ROBINSON
Chairman of the Board

Security-First National is fully equipped to do every kind of banking business and has branches in 61 communities, extending from Fresno and San Luis Obispo to Imperial Valley.



FRESNO

SAN LUIS
OBISPO

LOS ANGELES

IMPERIAL
VALLEY

Down comes the cost of power...

YOU have seen the record—the cost of power has steadily declined for years. It is still coming down. Are your own power costs following the same trend? Are you lowering your costs as much as possible?

Better ways of producing Power, better ways of using it—do you know them all? Check up at the National Exposition of Power and Mechanical Engineering in New York, at Grand Central Palace, December 2 to 7.



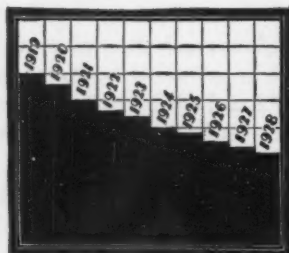
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investment trusts do, but it is important for the investor to know exactly what he is getting in the shares and debentures of investment trusts. In their prospectuses, some of the investment trusts seem to overstress the element of safety. An investment trust is in reality a *speculative* savings bank without close public supervision.

Numerous British and Scottish investment trusts are almost blind pools which give wide discretionary powers to the managers. Most of the early American trusts set up more restrictions. That was because the idea was new in this country, and there was no trained class of investment-trust managers. Recently there has been a swing away from such restrictions, as the established banking and brokerage houses have sponsored their own investment companies.

To my way of thinking, investors should keep out of investment-trust securities unless assured through independent investigation of the special capacity and integrity of the active managers. Where these qualities are present, investors can give their managers great leeway in their operations.

Life-insurance companies, fire-insurance companies, and various other mutual and stock companies, which are essentially investing institutions, have broad discretionary powers in respect to buying and selling individual securities. Even the savings banks, which are restricted to classes of securities, are free to change the contents of their portfolios at their discretion as long as they comply with the general restrictions set up by law.

Well-managed trusts can survive financial storms, but it is well to remember that the hundreds of American trusts have sprung up during fair-weather days and have not yet been thoroughly seasoned.

INVESTMENT trusts and trading companies are becoming increasingly important factors in the security markets. The high-grade common stocks of dominant corporations in favored industries, which they prefer, sell at substantial premiums. These investment trusts are in reality merchandising agencies, which help to find new buyers for listed stocks. If there were no such trusts, some of the buyers would acquire the stocks in the portfolio directly, but others would fritter away their thrift funds in blue-sky securities or in promotion stocks.

Where investment-trust managers are worth their salt, they are free from the

This is MAIN STREET's Day

THE big parade of American industry is turning into Main Street.

The American consumer has rerouted the march by demanding style and individuality in the things he buys. His more exacting demands have caused changes within the factory. Mechanical monsters, built to turn out an endless stream of identical articles, are replaced with lines of simpler machines. Each machine is a specialist. Any one may be junked without affecting the usefulness of the others.

It is a logical next step when the huge central plant is supplemented by smaller plants, each located where it can best do its part of the whole task, or when the parts of the job are bought from specialized factories instead of being manufactured in a single huge establishment. Such an industrial set-up, instantly responsive to market changes, is in tune with the demands of today.

Producing in smaller units, business has an ever wider choice of locations. It can grasp the opportunity to get nearer to its raw materials or its choicest markets, or where workers' welfare will be best served, or where land is cheaper, or taxation more reasonable. Electrical energy being available anywhere, business has complete freedom to choose the sites which best meet its needs.

For the small community, this is a happy combination of opportunity and preparation. Industry under the new conditions looks to Main Street for more economical locations. Main Street is ready for industry because Main Street is electrified. Widespread electric transmission systems have placed the small town on an equal plane with the big city in power supply and in industrial opportunity.

Provision of power supply to small communities on a scale equivalent to the service available in the great metropolitan centers is the achievement and responsibility of the Middle West Utilities System, a group of electric companies furnishing service to more than four thousand communities located in twenty-nine states.

MIDDLE WEST UTILITIES COMPANY

The strategic position of the small town in American industrial development is fully discussed in the booklet, "America's New Frontier," which the Middle West Utilities Company (72 West Adams Street, Chicago, Illinois) will send upon request.



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faults which commonly cause amateurs to get wiped out. They should never get overextended. They should always have a reserve buying power, so that in times of unexpected breaks they can be buyers of good securities, instead of forced sellers. Likewise, in times of excited booms, they should help to stabilize conditions by taking profits on those securities in their portfolio which seem relatively overvalued.

Already their influence is seen at the market place. Their reserve buying power is a factor in causing selected stocks to rally sharply after precipitous declines. Of course, if the investment trusts as a group should ever simultaneously decide to get out of stocks, there would be trouble. But presumably these companies would want to be permanent in some securities as long as national economic growth seems likely.

NEW PUBLIC sophistication in financial matters is changing the fashions of blue sky operators, according to H. J. Kenner, general manager of The Better Business Bureau of New York City. In describing a new coordination in the fraud-fighting agencies, Mr. Kenner said:

"The organized forces of business dedicated to combating the tricks and wiles of the stock swindler have grown more and more formidable through the years. Recently, steps have been taken to bring about the formation of a National Conference on Fraudulent Transactions in Securities to make still more effective the weapons of investigation, prosecution, education and publicity by which the adroit and subtle ways of blue-sky vendors of stocks can be rapidly followed and swiftly exposed and the vendors brought to the bar of justice.

"Interested in such conference are not only the Better Business Bureaus of the United States and Canada but also the state securities commissioners, the chambers of commerce of the country, acting through the Chamber of Commerce of the United States, and the Investment Bankers Association of America and other banking and financial interests. There is already nationwide cooperation of a practical, intensive kind between business organizations engaged in fighting stock frauds and between these bodies and state and federal law-enforcement departments.

"The organizations and the men who are aiding this work are constantly alert to ways and means by which such cooperation can be made more effective and whereby more widespread and time-



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Omaha, Nebraska	United States Trust Company	Minot, North Dakota	First National Bank
South Omaha, Nebraska	Stock Yards National Bank	Moorhead, Minnesota	First National Bank
South Omaha, Nebraska	South Omaha Savings Bank	Owatonna, Minnesota	Security State Bank
Mason City, Iowa	First National Bank	Rapid City, South Dakota	First National Bank
Fargo, North Dakota	First National Bank & Trust Company	Sturgis, South Dakota	Commercial National Bank
La Crosse, Wisconsin	National Bank of La Crosse	Wahpeton, North Dakota	Citizens National Bank
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Now Both Are on the Green

SALES have increased from \$1,000,000 to \$3,000,000. Bank loans are for current needs only. The company's stock sells for four times its price of two years ago.

Yet for six years this old Cleveland company had been selling excellent, well-known chemical compounds at *an annual loss*. Bank loans were frozen and the future looked dark.

The Guardian's analysis of the company's affairs revealed that its chief asset was control of the stock of a chemical plant—also run down. Changes in production and

the salvaging of by-products put the junior concern on its feet. Soon it was able to pay the parent dividends of \$95,000. This was invested in a carefully organized sales and advertising campaign the Guardian recommended and now both are on the green.

A great commercial bank like the Guardian is consulted daily by its customers on many fundamental problems like this. Constant contacts with production, merchandising and day-to-day trends frequently enable the Guardian to offer suggestions leading directly to increased profits.

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ly protective service can be rendered to the public by the forces of government and legitimate business acting in whole-hearted accord and in concert."

IN THIS era of frequent financial weddings or mergers, it is well to remember that the objective of all business should be to serve the wants of human beings. Mergers usually substitute new managements for old and there is a danger that the vested rights of employees in the merged companies in goodwill with their employer may be dissipated.

Louis Bamberger, who recently sold his department store in Newark to R. H. Macy & Company, set a fine example in taking care of such intangible obligations to old employees before retiring. He made a gift of \$1,000,000 in cash or annuities to 300 of his 4,200 employees who have been with him for 15 years or more. The so-called gift was made in lieu of formal uniform pensions. In the past, retirements have been under provision to meet individual cases.

In this day and age when business is ceasing to be dominated by a single individual, it is better to make formal provision for such contingencies which in case of mergers must be adjusted.

Otherwise, the "slaves" who go with the plantation are likely to suffer genuine, though somewhat intangible, losses.

ON THE eve of my recent departure for Europe, I received a jolt from a letter from my banker. I had asked what arrangements to make in case drafts against my letter of credit exceeded my bank balance, inquiring whether a collateral loan was desirable.

The banker readily responded to my offer to put up collateral, explaining somewhat apologetically that he had never received a financial statement from me showing my "worth."

The jolt came in the realization that a man's "worth" at the bank depended less on his good deeds than on his savings. "Spending" which make an individual a good fellow, receive no consideration at the bank. In setting up my "worth" I could make no mention of the purchase of two sedans, of foreign voyages, of custom clothes, of subscriptions to the opera and to art theaters, of contributions to charity, of gifts to needy friends and relatives, of contributions to the House of God.

The routine note from the friendly banker regarding my "worth" embodied an arresting idea. Income-tax ruling

to the contrary, a man's genuine net income is what he saves and invests at the end of the year. That margin determines his "worth" in the eyes of hard-boiled bankers.

The late J. Pierpont Morgan said that character was the best collateral for a loan, and doubtless in important operations the chief emphasis is on the nature of the men who are to manage an enterprise. Yet in routine banking operations, such as the average mortal participates in, cash or its equivalent is considered a good basis for fixing a credit line.

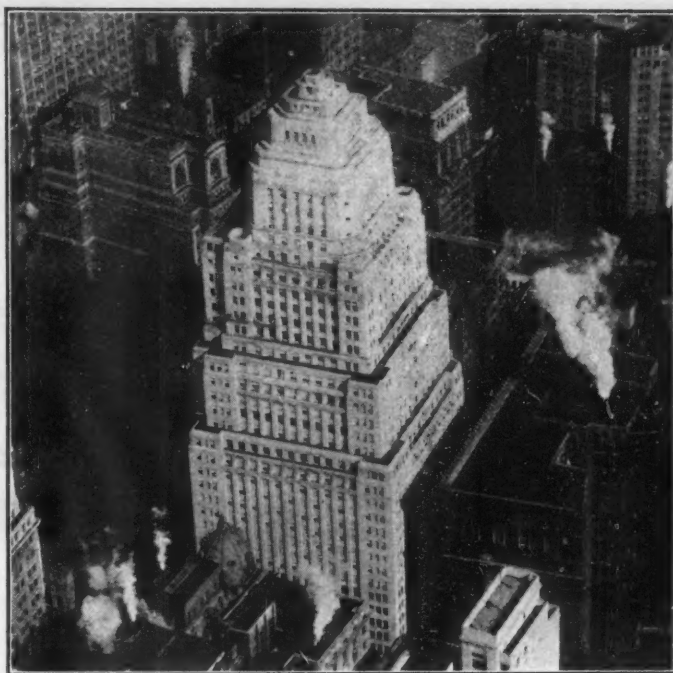
IF ONE can judge by the type of articles which appear in *The Ladies' Home Journal* nowadays, woman's place is near the stock ticker.

In an interview in a recent issue to the tune that "Everybody Ought To Be Rich," John J. Raskob, who helped to put over the enlarged E. I. du Pont de Nemours & Company and the General Motors Corporation and who failed to get Alfred E. Smith into the White House, entering the debate of common stocks *versus* bonds as long-term investments, took a nasty crack at bonds as investments.

AN OLD-FASHIONED banker in criticizing the new vogue for common stocks as long-term investments reaffirmed his faith in bonds. As he spoke, my mind turned to the four-per-cent foreign bonds which his firm sponsored, which had for a time been in default. Of course, before the war, the French bankers exploited the notion in France that safety was consistent only with a small return. The *rentiers* loaded up with four-per-cent Russian and Turkish bonds, which are now worthless or thereabouts, and even the French internal bonds of pre-war vintage are worth only 20 cents on the dollar in gold, as a result of the devaluation of the franc.

As a matter of fact, there is a place in investment portfolios for both stocks and bonds, depending on financial conditions and on the requirements of the individual investor. Edgar Lawrence Smith was the scholarly pioneer who first demonstrated statistically the value of common stocks as long-term investments.

Under present conditions, however, good stocks give a far lower income return than good bonds. They are suitable therefore only for those investors who can afford to wait for their rewards. The retired business man or the



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- ...how desirable would it be to find unknown, outside interests as large stockholders in your close corporation?

Realizing the importance of these questions, The Equitable has prepared a booklet, "To Officers of Close Corporations," in which this common *weak spot* in close corporations is studied and answered. *Send for a copy today.*

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spinister aunt or the widow or the orphan, who is dependent on the return from investments for a livelihood can do far better in the bond or preferred-stock market.

From a cyclical standpoint too, there are times when bonds are most attractive.

HOW good is inside information? The normal amateur speculator in the security markets assumes that "inside information" is the infallible key to great riches.

Insiders are not so optimistic. A leading investment banker in Wall Street told me that in his opinion the chief advantage that the insider has is that he knows whose figures to have confidence in and whose to discount.

The banker had in mind the fact that in the last analysis balance sheets and income accounts are only statements of opinion, reflecting the optimism or the conservatism of the directors.

Frequently insiders are too close to the business to get a satisfactory perspective. When the trend is upward, they are restrained by a knowledge of the real obstacles which face the management. On the other hand, outside perspective sometimes senses a downward trend before the managers themselves recognize it.

The trouble with inside information is that the investor who receives it is likely to act uncritically upon it, whereas he is more inclined to analyze generally published data concerning securities.

Recognizing this psychological hazard, one conservatively managed investment fund has a rule not to invest more than five to ten per cent of the total in shares about which the managers have special, exclusive information.

"GO EAST, Young Man!" That might be Horace Greeley's advice, if he were alive today.

At least Lionel Edie, professor of finance at the University of Chicago, thinks that opportunities for prudent investment lie to the east.

At Siasconset, on Nantucket Island off the coast of Massachusetts, a road sign points eastward toward the Atlantic and reads "This way to Ireland."

Professor Edie had in mind investment opportunities in Germany.

"I consider the Berlin prices," he pointed out, "relatively low at present. The general range of stocks is cheap in comparison with other leading markets."

Radio and the Movies Join Hands

(Continued from page 22)

large part in the operation of the very theaters that some feel it threatens. Our imaginations can run riot when we speculate upon the illimitable possibilities of television in relation to motion-picture theaters.

Consider what can be done in the field of news reels alone! Imagine seeing flashed upon the screen in simultaneous sight and sound a news event of major importance as it is taking place! Visualize world-series base ball games, football games, automobile and horse races, transported *the instant they occur* on supersized, natural-color, stereoscopic screens!

Theater has the advantage

PERFECTIONS in the projection of motion pictures will play a large part in making television applicable to theater rather than home presentation. We have not seen the cheap and popular use of filming cameras and projecting machine affect the motion-picture industry perceptibly.

The home can hardly be expected to be transformed into a modern theater having all the perfected devices and appurtenances available to the theater. A glimpse at a few of these devices, some not yet being exploited, suffices to illustrate.

The supersized screen, one that occupies a full stage, will soon be used, especially for the musical shows that are becoming regular offerings in the "talkies." Experiments are being conducted with stereoscopic motion pictures, pictures having a third or "depth" dimension. Increasing use of color is being made in current film productions. The combination of these elements with spoken dialogue, music and natural sounds will set a standard for screen entertainment that audiences will naturally expect and demand when television becomes a commercial practicability. Moreover, some one will have to foot the bill for home television, and it is hard to conceive of an advertising sponsorship of the filmed efforts of Charlie Chaplin, Mary Pickford, and Douglas Fairbanks.

Talent is being exchanged

THE motion-picture industry realizes that our technical and performer talent must be interchanged. Several of the



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The name of this company and its reasons for choosing Baltimore, as one of its own officials has told the story in a national publication, are contained in a reprint of the article which we will send you on request.



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largest film organizations have already engaged, more or less, in radio broadcasting. Paramount has joined forces with Columbia, which serves a major chain of broadcasting stations extending all the way from the Atlantic to the Pacific coast.

These stations, formed into a network by telephone-line connection, virtually "cover" the United States with our so-called "chain" programs. Our merger of interests places Paramount and its subsidiary Publix Theaters in a strategic position in the entertainment world. Any new developments in screen, stage and radio fields can be adapted in the fullest measure.

Film stars can speak in homes

ONE of the most important phases of the Columbia-Paramount affiliation—and one that shows how their joint facilities can be put to immediate advantage—is the fact that the film organization now has a ready outlet for intimate contacts with the millions of American homes. The great stars of the film world can make an audible appeal to radio listeners and thus stimulate theater attendance.

Motion-picture stars must now possess that vague quality known as "radio personality," for the "radio personality" is really a concomitant of the "talkie personality." In word and song, the voice of the great of filmdom now will be heard regularly by millions of potential theatergoers sitting at their own firesides.

"Talkie" excitement is over

I VISITED Hollywood recently, and I was amazed at the calm, smooth efficient manner in which the hundreds of elements that enter into the making of a talking picture function. We have heard much about excitement that enveloped the film colony with the advent of sound films, but if this ever was the case no evidence of it remains in Hollywood today.

Film-making has become an exacting, efficient and marvelously organized business with many great minds guiding its destinies. Among the best minds in the film producing art today are the scores of sound technicians who have been attracted from the electrical and radio laboratories.

These experienced engineers are proving invaluable in the recording and other technical phases of talking-picture production. They will still be speaking the language of radio when television comes.

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NEW ENGLAND'S *Declaration of Independence*

THE secret of New England's prosperity today lies in the amazing diversification of her manufactured products. With 217 separate and distinct industries here this prosperity is independent of business conditions in *any single line*.

For example, the work-shop of New England provide the nation with:

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$\frac{1}{3}$ of all optical goods . .	$\frac{1}{3}$ of all typewriters . . .
$\frac{1}{3}$ of all brushes	$\frac{1}{3}$ of all wire
$\frac{1}{3}$ of all silverware	$\frac{1}{3}$ of all tools
$\frac{1}{3}$ of all motorcycles and bicycles	$\frac{1}{3}$ of all jewelry

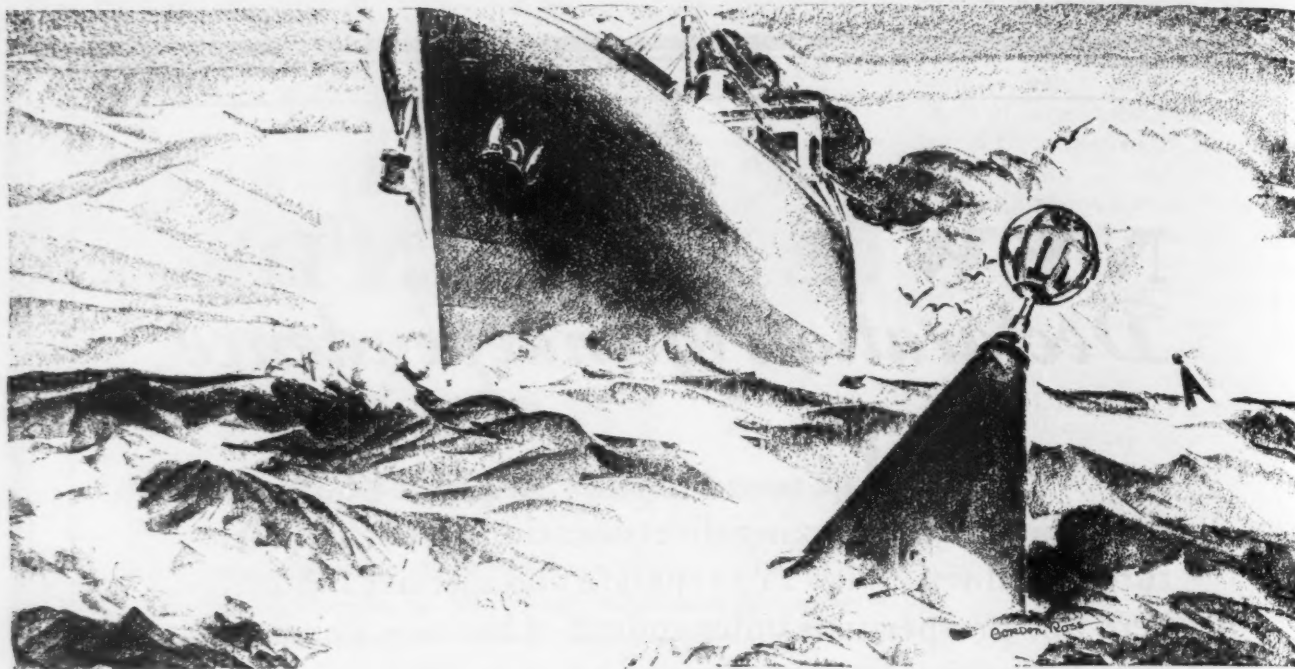
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For greater usefulness
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OF NEW YORK

WHEN the mammoth ships of our generation began to move their unprecedented cargoes, channels had to be broadened and deepened to make arrival and departure safe and sure. So, with the growth in trade and industry today, tending toward larger single units of manufacture and distribution, the financial channels also must broaden and deepen.

The consolidation of two well-rounded banking institutions—The Equitable Trust Company and The Seaboard National Bank—reflects this trend. It creates a bank large enough to satisfy the financial needs of our great modern corporations, yet flexible enough to meet every banking requirement of the individual.

Correspondent bankers will continue to transact their business with the same experienced Equitable and Seaboard officers; yet in addition they will find in the consolidated bank a widened range of valuable business contacts and banking facilities.

The Equitable Trust Company OF NEW YORK

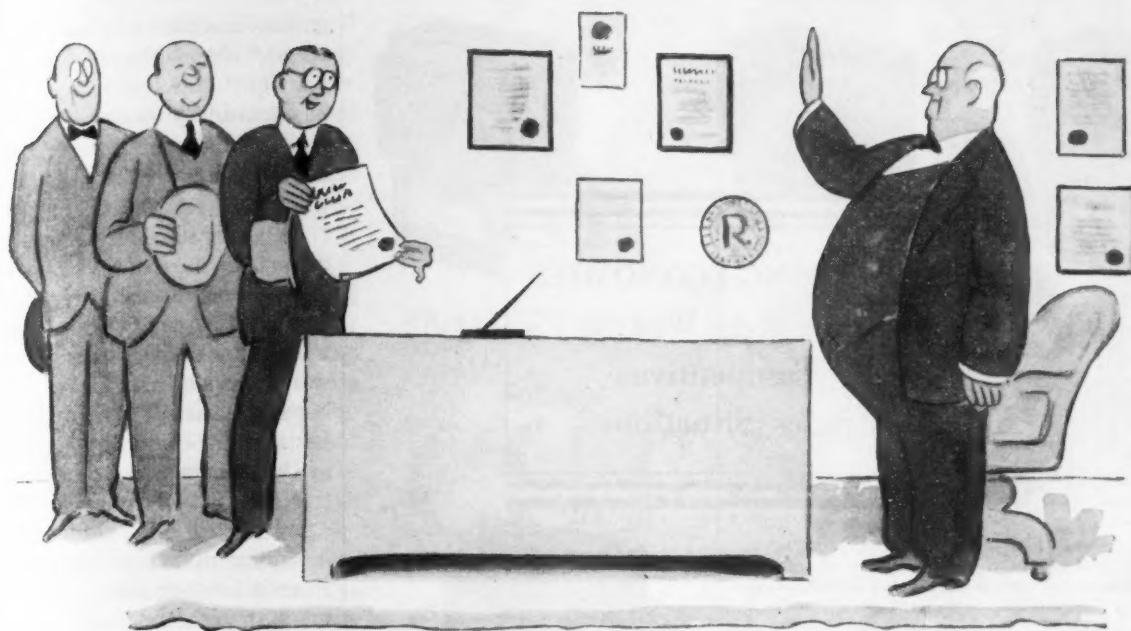
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"I belong to too darned many organizations"

The Destiny of the Local Chamber

By ROSCOE H. GODDARD

General Secretary, Worcester, Mass., Chamber of Commerce

ASKED the sales manager of a large corporation this question the other day, "If you have a big, broad selling problem before you, what is your first consideration when you sit down to map out the program?"

"First," he answered, "I try to make up my mind conclusively as to just what constitutes the sales resistance. In other words, I try to determine just why the article or proposition doesn't sell itself. Then, having classified the sales resistance, I plan the campaign for overcoming it."

Now the secretaries of most chambers of commerce also function as sales managers in "selling" those chambers to the business men. These secretaries will do better jobs of selling if they attack their problems as do professional sales managers—if, in short, they follow the example of the sales manager just mentioned. Applying this sales manager's system, they might attack their particular problem by putting these questions to themselves:

"Why does it require effort to sell the chamber of commerce to the business and professional man? Why must more and more effort be expended to keep him sold?"

Let me offer a theory which I am convinced contains the answer.

At present the business and social life of the ordinary man is tremendously overorganized.

"I belong to too darned many organizations," the business or professional man complains with increasing frequency. "I am spread out so thin that I can't pay attention to half of them."

That exactly states the condition which is a perfectly natural one. During the war the unusual conditions called for the setting up of a multitude of organizations, each one for a specific purpose. If there was a job to be done—selling Liberty Bonds or whatever it might be—we formed an organization and accomplished the purpose.

They serve their purpose

WITH THE end of the war, however, the necessity for many of these organizations vanished. But did we show the same alacrity in disbanding them that we did in starting them? We did not. The reason was simple—personal selfishness. In nearly every one of these superfluous organizations was a man or a group of men who considered that particular organization their personal child. They were proud of it and refused to see it go out of business. Or, perhaps, it was making a job for some one and he would

battle to the last ditch for its continuance.

Consequently we had, and still have today, a large number of organizations of every variety, all groping and grasping for something to do to justify their existence. And for a decade business and professional men, because they are good fellows, have continued to give financial and some moral and active support to these organizations.

But the worm turns. These men are beginning to wake up, and my prediction is that the next decade will prove to be an era of deorganization. Remember that phrase with the familiar ring, "I belong to too darned many organizations." It is becoming more common every day and it can have but one result. These men are realizing how senseless much of their expenditures of money and effort have been. They are going to, they are today, resigning from this, that and the other thing. We will see in the next ten years, yes, the next five years, a vast mortality in organization life.

And—let us face the facts—among the organization corpses that will strew the landscape we are going to see those of many chambers of commerce.

"Oh! but you can't class a chamber of commerce with these purposeless or-



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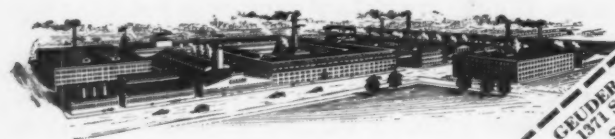
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ganizations that you have been talking about," chorus the chamber secretaries. All right! But just remember that the business and professional men, who "belong to too darned many organizations," are not going to differentiate too closely when they start cutting them out.

If there is a chamber secretary in whose home town most of the business and professional men are educated to see the difference, then the name of that town is Utopia, and perhaps he can sit and smugly watch the hearses pass by. Most chamber secretaries are like myself, however—still in the trenches fighting the battle of the budget and attempting to keep the germ of civic consciousness alive.

By this time the reader undoubtedly is saying that I am an alarmist. But there is another side to the picture. We know the fundamentals of the chamber of commerce structure are sound, and I maintain that the local chamber that is alive to its responsibilities and its possibilities, that sees the handwriting on the wall, can strengthen itself and prosper through this very deorganization movement.

A job for secretaries

TO DO this we secretaries must make up our minds to recognize the infallibility of the rule relative to the survival of the fittest. We must so build our organizations that we are prepared to take on new jobs and additional loads—and carry them efficiently. We must be everlastingly on the watch so that, as the organization death rate rises, we will be ready to take up and carry on the essential activities that the dying ones must drop. These essential activities will naturally gravitate to central organization, and a careful scrutiny of the entire field fails to reveal to me any organization that is constituted to do the job as well as the local chamber of commerce.

It is with these facts in mind that we are striving to shape the course of the Worcester Chamber of Commerce. One or two cases may illustrate what I mean.

We have in Worcester a branch of the North American Civic League for Immigrants. It was brought to Worcester eight years ago by the Worcester branch of the National Metal Trades Association and was fostered and financed through that Association's office for five years at an annual expense of \$5,000.

The League is an Americanization enterprise, and through work with the foreign elements in our communities has done much to offset the efforts of agitators and to preserve peace in industry.

Three years ago I was called over to a directors' meeting of the Metal Trades

Association branch. The directors told me frankly that their organization had come to a point where it had neither the man power nor the money to continue support of the League. But they believed the best interests of Worcester called for its continuance of its work and they had concluded that the Chamber of Commerce was the proper agency to carry it on.

I agreed with them and the next day placed the matter before the Chamber directors. They authorized me to go ahead with it. For the purpose of organization we set up an Americanization Bureau with five directors. The chairman of that Bureau and the secretary maintain the contact with the paid workers of the League.

Another case. We have a Worcester Typothetae, a local of the United Typothetae of America, the printers' trade organization. This local employed a full-time secretary at a salary of \$3,000, rented an office for \$500, hired a girl at \$1,200, and had the usual overhead expenses for telephone, light, and sundries.

About six months ago the president and treasurer of the Typothetae local came to me and said they had heard me talk about the centralizing of the city's business activities. They said they were running behind financially and the interest of their members was lagging. Was there any way they could affiliate with the Chamber?

We worked out a plan and they became the Printers' Council of the Chamber, while still maintaining their corporate identity. When we took them over they owed the parent body, United Typothetae, about \$1,200 in back dues and had other debts. We got rid of the secretary, the stenographer, and the office. Our staff is handling the work and the members tell us that they are getting better service than before.

Cut out overhead

TODAY they are out of debt and have about \$800 to their credit on our books. Of course, each member of the Typothetae had to take a membership in the Chamber and we further insisted that each one take a membership in the Credit Bureau and the Retail Creditmen. The total cost of these memberships, however, is not nearly as much as the overhead we cut out.

I have explained my theory of the sales resistance of the business and professional men who are asked to join chambers of commerce and I have cited two examples to show how in Worcester we are campaigning to overcome that resistance. The latter case, that of the

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Typothetae, brings me to the crux of my whole contention. It is just this:

While many types of organizations are on a decided decline, the trade associations are definitely in the ascendancy.

Among the organizations that I believe are most certainly waning are the luncheon clubs, the so-called civic clubs. I am convinced that all of them have seen their best days and have started down the hill. In no other place has organization been so grievously overdone. The oldest of these clubs was conceived for one purpose—fellowship. The others were patterned after it. But they have all gotten away from first principles. They have branched out into welfare and charity work entirely outside their scope and even have professed that they will save the world through the brotherhood of man. Honesty confesses that the only thing they can do, and do it right, is to supply the means of fellowship, their first principle.

If those interested in the chamber of commerce movement 15 or 20 years ago had had their eyes open, there would be no luncheon clubs today, for the chambers would have supplied the means of fellowship. The alert chamber secretary will start planning today to take care of the one essential activity of the fading luncheon clubs—fellowship—through weekly or monthly forum luncheons.

Now, let us consider the trade associations, which all signs indicate are in the ascendancy. There is a reason for this. These associations give their members a definite and tangible (call it selfish, if you will) return. They render individual service. And that is what the chamber of commerce has to do. I am convinced that the day is past when we can sell the chamber of commerce to business and professional men on the altruistic basis that we have in the past.

We have to follow the plan of the trade association and sell our business and professional men the idea that they are going to get personal and direct service from their memberships.

A change of emphasis

HOW CAN this be done? Well, here is the plan that we have put into practice in Worcester:

The chamber of commerce of the future, in our large cities, and to a lesser degree in the smaller communities, is going to develop into a federation of local trade associations. Civic work will be continued, of course, for these federated trade associations will see the necessity of doing the essential civic work of the community just as readily as do our present organizations. We will probably cut

out a lot of the fool things that we have been doing along this line, however.

The transition from our present form of organization to the new type will not be the drastic process that it appears. I speak from experience because in Worcester we are doing it. It is a slow process. We have been working for three years and have organized only about 20 of the 70-odd councils (as we call our local trade associations) that an analysis of our membership shows we should have in order to place every one in a group where he will get that direct return we know he expects.

It does not mean that a chamber must throw its present membership overboard and build an entirely new one. It is simply a job of organization. Just as a pastime, let the chamber secretary sit down with his membership list and picture it split up into subsidiary groups with common interests and problems.

New chances for service

LET him visualize the tremendous possibilities for service. Let him picture the possibilities that he has of making each man help himself through the contacts and understandings presented him by closer association with his fellow workers.

I have said that this reorganization is a slow process. There is a reason for the slowness. A group cannot be called together and organized into a council just for the sake of completing an organization. There must be a definite reason for the formation of each council. Some tangible problem that the members can tackle with personal profit as the reward.

Placing of members in their proper groups offers a nice problem. For example, we have a large number of individual members—men who are not in business for themselves but who work for someone else.

How should we classify them? An analysis showed that about 400 of these men were salesmen or were interested in selling. Naturally the answer was a salesmen's council. We haven't organized it yet; the time is not ripe, but we are just about ready to. Picture the potent force that we can develop by getting these men to go out, carrying the City of Worcester in their grips as a side line.

Another large group is made up of men with engineering training. We plan an engineering council. And so it goes.

We already have organized the Physicians' and Surgeons' Bureau. We found there a way to give direct and tangible service to the doctors. We now are working on something for the dentists. And then come the lawyers.

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cil. It grew out of an industrial survey we made last year. As a first step in this survey we wished to establish where our industrial concerns purchased their materials and where the markets were for their finished product. To this end we sent out questionnaires.

When the first of them came back, one fact on the sheets hit us between the eyes. Our industrial plants were purchasing more than 15,000 tons of gray iron castings outside of Worcester.

We knew that work at the Worcester gray iron foundries was slack. We decided the time was ripe to call the foundry owners in and organize a council, for we had something for them to bite down on.

A meeting of real value

A MEETING was called and we got a perfect attendance—15 men. We showed them the figures from our questionnaires. When asked why they were not getting that business, we got 15 different answers. Boiled down to the basic fact, the local foundries were being underbid by outside foundries. We told the foundry owners that it spelled one thing to us, that they did not know how to figure their costs. We proposed a test.

We suggested having specifications made up for a very simple casting. Each

one was to have a copy and submit a bid for a stated number of these castings at cost price before the next meeting. We agreed to keep each bid confidential.

The proposal struck the sporting streak in them and they took us up. At the next meeting we submitted the results, which showed a range of cost price from five cents a pound to 12 cents a pound on that simple casting. It proved conclusively that some, at least, did not know their costs, and we aroused a desire for a unified cost system for them all.

The next step was to get a foundry cost expert to talk to them, and we got a man from the Gray Iron Institute in Indianapolis. He clinched the proposition for us and now the foundry men are intensely interested and are pulling together like a team of Percherons. Each month they are submitting to us their most intimate figures and we are compiling composites that they are using to good advantage. They are going to get a good slice of that tonnage that has been going out of town, too.

That's what I mean by selling the chamber of commerce to the business and professional men. They "belong to too darned many organizations" and unless they are offered something more than the strip of blue sky that they have been in the habit of getting for their money, they won't be sold.

The Truck in Farm Marketing

THE motor truck has come to play an increasingly important role in the handling of farm produce to urban centers, according to a survey of this field recently completed by the Bureau of Agricultural Economics, United States Department of Agriculture. The survey reveals:

Inclusion of motor-truck receipts of fruits and vegetables in seven large consuming markets of the country in the Bureau's daily and weekly market-news services. They are New York, Boston, Cincinnati, Denver, Salt Lake City, Los Angeles and Portland, Ore.

Motor trucking is the easiest manner yet of serving the city with its food supply, as it eliminates the motor haul at the end of a rail and boat line and icing of shipments of perishable commodities, and brings closer contact between city dealer and truck farmer.

Creation of new consumption outlets for rural districts.

"Insofar as supplies are available,"

says a representative of the Bureau in southern Illinois, "the movement by motor truck is working a revolution in the selling of fruits and vegetables in the corn and coal belts of Illinois and nearby areas. The trade was formerly supplied through wholesale dealers who obtained their supplies from St. Louis, Memphis, Chicago and Indianapolis. The trucking movement avoids these primary markets for the most part and goes direct to the retailer, consumer and wholesaler in the smaller cities and towns. This has made an enormous outlet for second-grade fruit by increasing their consumption in rural districts.

The Bureau predicts within a short period of time organized motor-truck systems for handling perishable city food supplies from the farm and for distributing from large to smaller markets. Railroads, it points out, face increasing competition from the motor truck from producing to consuming markets.

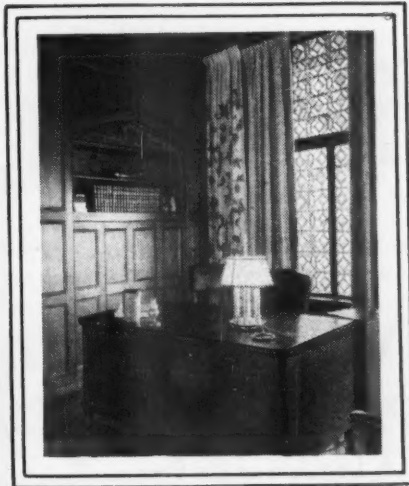
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(Right) Another modern office, somewhat different in style. Note that here again the designer has called upon wood. Wood lends itself perfectly to the varied demands of all the schools of design. Wood can be painted, or the natural beauty of its grain untouched.



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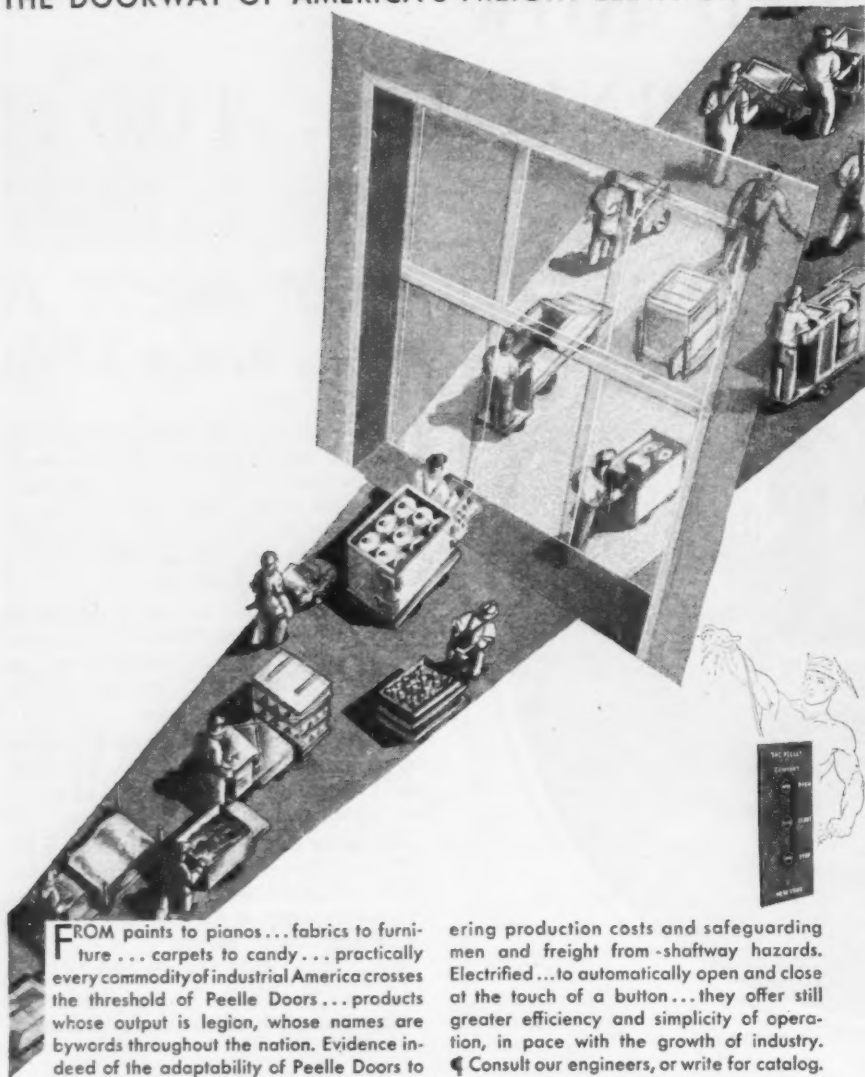
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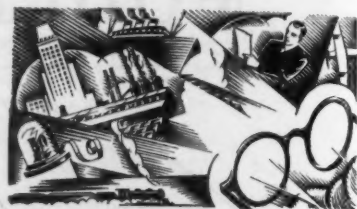
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WASHINGTON, D. C.

THROUGH THE



EDITOR'S SPECS

AN editor's thoughts are public property. The ideas that are on an editorial mind to-day show up in the next issue of his publication.

Since his mind is thus open, it seems only fair to present a phase of his work which is almost always interesting, and, to him at least, decidedly stimulating. We refer to his mail. There is the place where his readers talk back—frequently in no uncertain terms.

If an editorial opinion seems somewhat extreme the reader writes to tell him so. If the editor says something the next month with which a reader is in hearty accord, that reader may dictate three pages to say that the editor is right.

Another barometer the editor watches eagerly is the comments in other publications about specific articles which have appeared in his own magazine. At times some evidence of interest in *NATION'S BUSINESS* will show up where least expected.

From the *Galveston Daily News* this gratifying editorial called "Babbitt Discovers an Imaginative Streak" comes to us:

Time was, and that not so long ago, when the average business magazine or trade publication plumbed the lowest depths of dullness. They consisted of ponderously or amateurishly written articles, thrown together without any attempt at typographical embellishments to catch the reader's eye. We have a suspicion that most of them found their way to the wastebasket unread after gracing the subscriber's desk for a few days.

Some of these specialized publications still travel along in the old rut, but among those which for several years have been regular visitors to the *News'* editorial desk we note a tendency toward improvement which is no less than amazing.

Possibly they are no more authoritative than their stodgy predecessors, but certainly they are more interesting to the casual reader. Their editors and contributors have grasped the idea that to be informative one does not have to be dull; they have learned to uncover the vein of romance in



Bakelite Molded handles used on Wear-Ever tea kettles. Made by the Aluminum Cooking Utensil Co., New Kensington, Pa.

Wear-Ever uses Bakelite Molded handles Never Hot—Cannot Rust

A steaming tea kettle once meant a scorching hot handle. When lifting a kettle from the range, safety and comfort required the use of a thick cloth holder. Now, modern Wear-Ever Kettles have handles of Bakelite Molded, that are always cool and comfortable to the touch of the most sensitive fingers.

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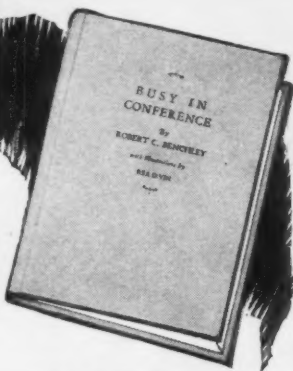
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ROBERT C. BENCHLEY Holds up the mirror



to Business Men
in his newest and
funniest story:
"BUSY IN
CONFERENCE"



WHAT happens when big business men get together to discuss Big Business? ... What goes on behind those mysterious closed doors of the average executive's office? ... In his entertaining little book, "Busy in Conference", Bob Benchley, noted humorist and author, takes us all behind the scenes and plays the light of satire searchingly, if indulgently, on the follies and pretensions of modern business.

With a twinkle in his eye and a chuckle in his pen, Benchley gently spoofs at those everyday happenings that are so familiar to us all ... The office funny-man who breaks in on our discussions with his latest japeries ... the "important meeting" which quickly turns into a stag smoker ... the petty distractions, so cheerfully accepted, that divert us from the work of the day.

FREE TO BUSINESS EXECUTIVES

"Busy in Conference" has been written by Mr. Benchley specially for the Dictograph Products Company. It is flavored with deliciously funny illustrations by Rea Irvin. The book will be mailed with our compliments to any business executive with a sense of humor, who will address a request to us on his official stationery.

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A miniature broadcasting system equipped with microphone and loud speaker. The shortest short-cut to efficient inter-office communication. Details upon Request.

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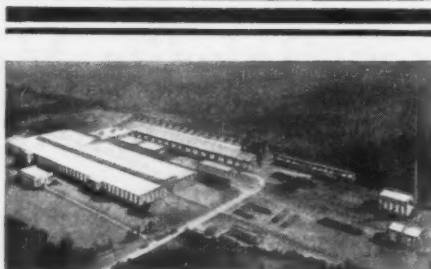
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Industrial Cleaning Materials and Methods



STANDARD LOOMS, INC.

Built its factory in

SPARTANBURG

"From this city we can serve the Southern Textile Territory more economically than from any other point."

JONAS NORTHROP,
Vice President & General Manager,
Standard Looms, Inc.

The Spartanburg Survey gives dependable information of value to any manufacturer interested in Southern production or distribution. Write for a copy today.

INDUSTRIAL COMMISSION—CHAMBER OF COMMERCE—1400 MONTGOMERY BLDG.
SPARTANBURG, S. C.

SPARTANBURG



"The Hub City of the Southeast"

**SOUTH
CAROLINA**

the commonplace. Babbitt has discovered in himself a streak of imagination.

Perhaps the most conspicuous exponent of this glamorous trend in the literature of trade is NATION'S BUSINESS.

Though this publication is available on most newsstands and may therefore lay claim to general circulation, it is nevertheless from cover to cover a business magazine, addressed to men and women in all lines of business endeavor.

Undismayed by the fact that it is the official organ of the United States Chamber of Commerce, NATION'S BUSINESS displays in its pages a sprightliness which not many years ago would have been considered childishly undignified.

In a word, it is readable, not only to high-powered executives in search of ways to increase their personal voltage, but also to individuals who have no more serious purpose than to while away a leisure evening.

Glancing through the July number, for example, we find an article on the subject of industrial mergers—and probably no more vital subject confronts the business world—illustrated with Rollin Kirby cartoons.

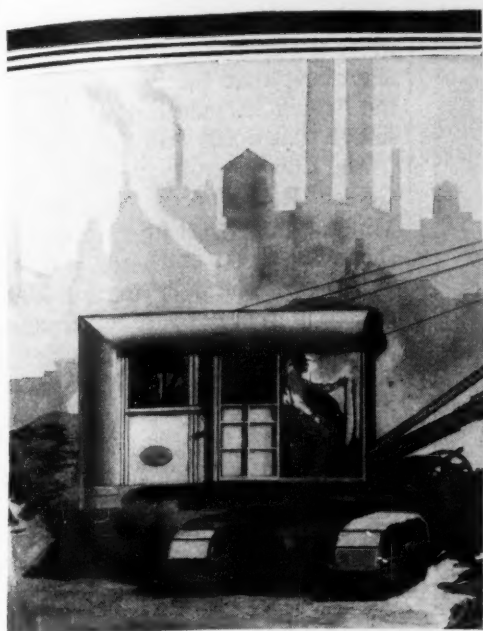
John Van Bibber contributes an article on recent developments in the book-publishing business illustrated with half a dozen woodcuts by Harry Cimino. A standard of writing is maintained in these and other articles which would do credit to the better-class literary magazines.

Not all of the business magazines achieve this high standard, of course, but several of them do, and the number is noticeably increasing. It is evident that competent business men are taking more interest in writing. Considering the amount of first-class talent which the business world has enlisted in advertising, however, it is not strange that business publications should seek to divest themselves of their rusty old garments. Readers are now demanding at least a dash of entertainment along with their instructions. The prosy trade magazine has no more chance of being read than the uninviting advertisement.

IN THE July issue it may be recalled that NATION'S BUSINESS printed a picture of a retail street in which a small shop was flanked by four chain grocery stores. It was called "An editorial without words" and the question was raised whether an independent merchant could compete successfully with the stores about him.

This interested a number of readers, evidently, for several took the trouble to clip it and mail it back with a large "Yes" printed over it. A large chain inquired what our implication was in printing it. We replied that we wished to give the impression that a good merchant could offer the chains real competition in such a location.

The Bashaw Brokerage Company.



CRANE SERVICE

... anywhere, any time

SMOOTH, uninterrupted production depends largely upon having materials at the right spot in the plant at the right time. To accomplish this, modern industrial efficiency requires flexible crane service.

Progressive plants no longer consider their handling equipment complete without cranes that go anywhere, any time,—cranes that require no tracks to reach any corner of the plant.

P & H Gasoline-Driven Corduroy Cranes on their crawling traction supply this flexibility—and many more advantages.

They are ready any minute. No firing. No delays for coal or water. The motor is started and stopped instantly—cutting off all stand-by expense.

Back of the P & H is 45 years of experience and the undivided responsibility

of the largest crane building concern in the world.

Some of the representative users are:—

Allis Chalmers Mfg. Co.,
American Smelting & Refining Co.,
American Steel & Wire Co.,
American Brass Co.,
American Manganese Steel Co.,
American Radiator Co.,
Bettendorf Co.,
Canadian Pacific Railroad Co.,
C. M. St. P. & Pac. R. R. Co.,
Ford Motor Co.,
International Motor Co.,
Otis Elevator Co.,
Pacific Gas & Electric Co.,
A. O. Smith Corporation,
Standard Oil Company,
Standard Sanitary Mfg. Co.,
Weyerhaeuser Timber Co.,
and many others.

Bulletin No. 43-X fully describes the mechanical superiorities of P & H Corduroy Cranes and suggests innumerable savings and uses.

HARNISCHFEGER CORPORATION

Established 1884

3830 National Avenue, Milwaukee, Wis.
Offices and Agents in All Principal Cities

P & H Cranes



THE LARGEST CRANE BUILDING CONCERN IN THE WORLD...

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FLOWERS *in*
the reception room
make callers feel
at home

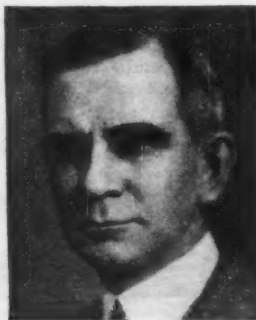


"The best Motion Picture of the Business World"

PAUL SHOUP, *President, Southern Pacific Railway*

"I read Nation's Business because it gives the best motion picture of the business world with its continuing changes. Its background is of fact and its views logically derived. The policy that directs its policy is one of common sense."

Paul Shoup



merchandise brokers of Minneapolis, wrote to request reprints of the picture, remarking that the picture expressed the "chain vs. independent" situation so well that words were unnecessary.

And Edw. J. Crotty, proprietor of the Golden Rule Grocery, of Caledonia, Minn., writes, "just for fun," to tell us that "the most extraordinary thing about the picture is the automobile parked in front of the store in question. The owner of the car evidently has stepped into the store to buy merchandise from the merchant to the exclusion of the chains. But the way it looks to me, none of the stores will be very successful unless you get a few more people on the streets than are shown in your 'Editorial Without Words.'"

IN CLEVELAND, Munson Havens, Chamber of Commerce secretary, is putting out an excellent chamber organ called *The Cleveland*. Hal Hursh, Cleveland manager of advertising for NATION'S BUSINESS, liked the magazine and wrote to tell Mr. Havens so. Said Mr. Havens in reply:

It is appropriate that a compliment of this kind should come on the letterhead you use, for the fact of the matter is that *The Cleveland* was the first chamber of commerce magazine to have the sense to see that NATION'S BUSINESS had taught us that the way to make a house organ effective was to make it so attractive as to conceal the fact that it is a house organ.

All that I did was to dig out some of the principles underlying NATION'S BUSINESS and apply them to a local magazine.

THE August NATION'S BUSINESS contained the story of a country storekeeper who was doing a good job of merchandising and making money doing it. The article, "Thomas Critchlow—Storekeeper," has attracted some little attention. C. O. Bedell, sales manager of Butler Brothers, Chicago, writes as follows to William Boyd Craig, who wrote this article:

As is the case every month, I have profitably gone over, and with interest, the most valuable monthly publication for American business men. I want to chat with you for a minute about "Thomas Critchlow, Storekeeper."

Most stores such as Mr. Critchlow operates are passing. He, through sheer power of personality, reputation, tradition, and the peculiarities of a certain community, is successful, while he swims against the swift-flowing retail current.

I don't suppose a great many small retailers will see this article, although it is amazing with what assiduity any economic

sector can find bolsters for its backwardness, and aids to its rationalizing.

Some of us who have long known and loved the average independent merchant, who after all, is the backbone of his community, have devoted much time and laborious endeavor to helping him see the new light. There are just a few basic bed-rock fundamentals of good retailing on which the world's greatest retail successes have been built—and to all indications will continue to be built within the next few years. They are not new.

The most successful independent stores of the past, the most successful department and chain stores of today, are using them.

Only in proportion as they are learned, absorbed, and followed by the independent merchant of the average town will the average town support its independent merchants and avoid being chain-ized.

My point is this. In all good faith, you have given comfort to the enemy. By the enemy I mean old-fashioned methods, violation of the precepts of good retailing, and uneconomic operation. You have glorified the thing which a good many of us are fighting in an effort to help save the average independent merchant.

I hope some day you will tell the independent merchant how the chain and department stores have been making their tremendous successes. I hope you will point out to him that theirs are not copyrighted methods, and that even without their colossal buying power he can proportionately do as they have done financially.

In the meantime, I congratulate you and NATION'S BUSINESS. I think you men are doing an exceptional job. From the first time I read an editorial of Merle Thorpe's, I have rather idealized him as a splendid and much-needed type.

GENTLY we are taken to task by H. P. Junkins, of the Aurora Corset Company, of Aurora, Ill. Says he:

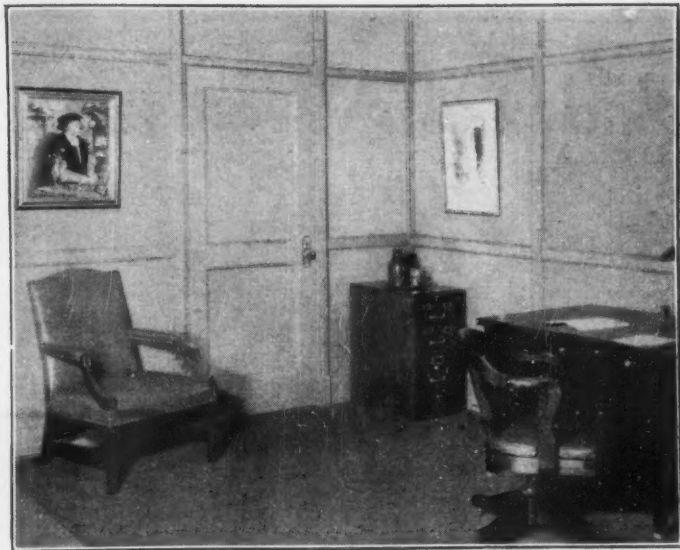
On page 34 of the August issue is an illustration and the sentence underneath which says "fifteen years ago corsets were generally used." One gets the impression that you intend to say that they are not now in general use. This is only half of the truth.

It is true that styles have changed but more money is spent on corsets than ever before.

If you are a married man and will look over your wife's bills where you have a charge account, you will find that out quickly enough, only your wife may be paying \$22.50 for a garment instead of \$5 which she would have paid 15 years ago.

As near as I know, the total production in our country 15 years ago was \$40,000,000 and in 1927, the last year of which I have figures, the total was \$57,000,000.

There are a lot of new firms in the industry that are making a great success, and the old ones are still doing business at the old stand. Of course, there are changes in all industries but generally speaking, we have nothing to complain about.



Partitions *must* FIT *the personnel*

YOU remember the old lady of shoe house fame. The same problem exists in business today. Records tell us that every office partition requires relocation on the average of once in two and a half years. The number of employees is naturally based upon the amount of work to be done and not by the number of offices available. Yet floor space is inflexibly fixed by lease.

Fortunately for modern business there is an economical and quick method of office rearrangement...namely Hauserman Movable Unit Partitions. So carefully planned are they, so thoroughly trained are the Hauserman erectors that it is not unusual to rearrange an entire set of offices in a single night. Moving to a new location is done with equal alacrity.

But Hauserman Partitions should not be purchased for flexibility alone. They are sturdy in construction, with heavy well fitting doors, real hardware, permanent finishes in colors. All reflect a general appearance of quality these partitions possess.

The price makes Hauserman Partitions available to the single office buyer as well as to the operator of an entire building.



HAUSERMAN Partitions are made in five different types and a hundred different finishes. They are adaptable to executive and commercial offices, institutions and factories.

OUR TWELVE YEARS EXPERIENCE IS OF VALUE TO YOU

When writing to THE E. F. HAUSERMAN COMPANY please mention Nation's Business

Planning, Sales and Construction Branches

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HAUSERMAN

The E. F. Hauserman Company, Cleveland, Ohio

Please send me without obligation
The Hauserman Method of Partitioning.

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PARTITIONS OF MOVABLE STEEL

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THIS is the seventeenth of a series of editorials written by leading advertising men on the general subject of "Advertising"



As Scientific as Engineering

ADVERTISING men are called unscientific. They are taken to task for the guesswork that is supposed to enter into a campaign.

How much do these critics know how calculations are made for railroads, ships, bridges, buildings and dams?

When an engineer plans a bridge he calculates the greatest possible strain it will have to bear. Then he builds five, ten or even twenty times stronger than his calculations require. He euphemistically refers to his factor of safety. "Factor of Guesswork" would be as near the mark. But men call him scientific.

The severest critic of advertising cannot accuse us of being more unscientific. Even in the days of unreliable circulation figures we did not divide by five. Even the most high pressure advertising man does not work out the necessary cost of a campaign and then recommend an appropriation five times as large. Even the most extravagant copy appeal is nearly correct.

Advertising statistics are extraordinarily accurate. Circulation figures are correct to within a small margin. Campaign costs will not exceed estimates by a fraction of one per cent. Statements used in advertising must be carefully checked, for advertising not fairly near the mark never pays.

If engineering is a science, then advertising is a science, too. But in both, it is experience that counts. Experience is the greatest asset an advertising man can have. That is why advertising men who have sold space and built advertising agencies and accounts have a tremendous advantage over those whose knowledge is entirely academic.

In building an advertising campaign or a bridge it is experience that counts.

By WILLIAM H. RANKIN,
President,
William H. Rankin Co.,
New York and Chicago.